**Title:** PROCESSING LOSING LOTTERY ENTRIES FOR BENEFITS

**Abstract:** Described are methods, computer readable media and systems for processing losing lottery entries for benefits. In an embodiment, the process includes receiving a redemption request for a lottery ticket associated with a lottery game, determining that the lottery ticket includes at least one valid losing lottery entry, and determining a discount amount to offer. The discount amount may be based on at least one eligibility factor, and once determined, the discount amount may then be offered to a customer.
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PROCESSING LOSING LOTTERY ENTRIES FOR BENEFITS

The present application claims the benefit and priority under 35 U.S.C. §119(e) to U.S. Provisional Patent Application Serial No. 60/826,648 entitled "PROCESSING LOTTERY TICKET SALES" filed October 24, 2006, the entirety of which is incorporated by reference herein.

Field of the Invention

The present invention generally relates to methods, computer readable media and systems applicable to processing lottery ticket sales. In particular, methods, computer readable media and systems are described for redeeming losing lottery entries for benefits.

Advantages and features of the invention will become apparent upon reading the contents of this document, and the nature of the invention may be more clearly understood by reference to the following detailed description of the invention, the appended claims and to the drawings attached hereto.

Brief Description of the Drawings

FIG. 1 illustrates a lottery system that includes a plurality of lottery retailer terminals, a communications network, and a controller according to an embodiment of the invention;

FIG. 2 is a block diagram of an embodiment of a lottery retailer terminal;

FIG. 3 is a block diagram illustrating an embodiment of a lottery operator controller;

FIG. 4 is a flowchart illustrating a process for providing a discount to a customer who redeems an eligible losing lottery ticket in accordance with an embodiment of the invention;

FIG. 5 is a flowchart illustrating an embodiment of a process for determining a discount amount for a customer who has tendered an eligible losing lottery ticket in accordance with an embodiment of the invention;

FIG. 6A is a tabular representation of an embodiment of a lottery ticket database for an on-line lottery game;
FIG. 6B is a tabular representation of an embodiment of a lottery ticket database for an instant lottery game; and

FIG. 7 is a tabular representation of an embodiment of a redemption status database.

**Detailed Description**

A losing lottery ticket may be defined as a lottery ticket that contains one or more lottery entries that are not eligible to be redeemed for any lottery payout or prize, according to the rules of the game associated with the ticket. For example, a traditional lottery ticket includes a set of numbers that may not in whole or part match a set of winning numbers that have been drawn at random by a lottery operator. An "instant win" or "scratch" ticket is a losing lottery ticket if it contains no matching symbols, instant win symbols, or any markings indicating that it is a winning ticket, according to the rules of the game embodied by the ticket. When a lottery player determines that his lottery ticket is in fact a losing ticket, he will often discard it since it offers no winnings upon redemption. Often times, these discarded losing lottery tickets do not make it to proper trash receptacles, causing a visual blight. Lottery operators (e.g. The New York State Lottery) are often blamed for this unsightly trash outside of convenience stores and along roadsides.

A newly purchased lottery ticket has a redemption value that is unbeknownst to a customer at the time of purchase. The new lottery ticket may be of the type requiring a drawing, in which a customer may choose a set of numbers that he thinks will match with a set of numbers drawn at a later date. Alternately (or in addition), the new lottery ticket may comprise an "instant win" or "scratch" type lottery entry, in which a winning or losing result can be determined without necessarily conducting a lottery drawing.

A lottery retailer may be defined as a merchant or other party who sells lottery tickets at a particular location, verifies and / or authenticates winning lottery tickets, and / or redeems the authenticated winning tickets for an eligible prize. In an embodiment, the lottery retailer also authenticates and redeems losing lottery tickets for a discount on the purchase of a new lottery ticket. Examples of lottery retailers include, but are not limited to, convenience stores, gas stations, and supermarkets.
Customers may also purchase and, in some cases, redeem lottery tickets at automated lottery terminals. An automated lottery terminal is an electronic device that may be capable of automatically determining some or all of the information located on (or otherwise associated with) a lottery ticket (e.g., sense and translate mark information selected by customer with a #2 pencil on a lottery entry form, read a bar code, read a ticket identifier, and the like). Such a device may also be used (either alone or in combination with another device, such as a controller) to determine the validity and redemption value, for example, of a lottery ticket, as well as to sell and print new lottery tickets. As will be explained in more detail below, an automated lottery terminal may be connected via a communications network to a lottery controller.

Presented herein are systems and methods for conducting lottery ticket sales. In some embodiments, a method includes determining a discount to offer a customer for redeeming a losing lottery entry. The method may include processing a customer's redemption of a lottery ticket, determining if the lottery ticket is a losing lottery ticket, determining if the losing lottery ticket is eligible for a discount or benefit, determining a discount on a new lottery ticket and/or other benefit, and offering a discount or benefit to that customer. The method may also include selling a new lottery ticket at the discounted price or generating a "benefit" type ticket, and/or preventing the reuse of the losing lottery ticket for purposes of obtaining a discount with respect to at least one subsequent lottery purchase.

For example, a lottery operator or administrator may choose to provide a discount on a new lottery ticket purchase, to a customer who returns one or more valid losing lottery tickets to a lottery retailer. According to some embodiments, the discount may be predetermined by the lottery operator or by an administrator. For example, a lottery operator or administrator may establish a standard 5% discount off the purchase of a new lottery ticket, when the purchasing party presents one or more valid losing lottery ticket from a prior drawing.

In some embodiments, the discount on a new lottery ticket may be determined at random through the use of a random number generator located within an automated lottery terminal. The random number generator may select a discount of e.g. 10% from a
range of 5% to 20%, with the range possibly determined by a lottery operator or administrator.

In some embodiments, the discount on a new lottery ticket may be determined based on a plurality of factors that could include location, time, and/or a random factor. For example, a customer may receive a discount of 10% off the purchase price of a new lottery ticket (for the same or similar lottery game), if that customer brings a valid losing lottery ticket to the same retail location at which the losing ticket was originally purchased. The customer may receive only a 5% discount if he chooses to redeem the losing lottery ticket at a different lottery retailer location.

In accordance with some embodiments, a discount may be determined based on the quantity of losing tickets presented (e.g. -$0.01 for every losing ticket) or in whole or in part based on the numbers initially selected on the first ticket and/or the outcome of a drawing. For example, if play indicia of the losing lottery ticket comprises all "7"s and the ticket is a valid losing ticket, then the customer may qualify to receive $.50 off the purchase price of another ticket (e.g. a lottery ticket for a subsequent drawing). Similarly, the customer may be entitled to a discount if the presented losing lottery ticket includes some amount of indicia corresponding to drawn indicia. For example, a customer may receive a $.25 discount if the presented ticket contains at least one and no more than two matching and/or drawn indicia for that lottery drawing (wherein three matching indicia would entitle the player to receive a payout or lottery prize).

A lottery operator who provides a discount on the purchase price of a new lottery ticket, in exchange for redeeming a losing lottery ticket, successfully increases business opportunities for both themselves and the lottery retailer. Thus, lottery operators can advantageously utilize the present methods and systems to encourage lottery participants play more frequently. In addition to increased frequency of play, lottery operators can promote the present methods and systems to lottery retailers as beneficial to their businesses because player expenditure is likely to increase during each visit the player makes to a lottery retailer.

Lottery operators are essentially selling "hope" when they sell drawing entries to customers. After a drawing, when a ticket is determined to be a loser, the product’s benefit to the customer or player is eliminated as hope turns to disappointment.
However, the present methods and systems advantageously extend the psychological benefits of hope beyond the "pending" period of an entry, for example after a ticket may be determined to be a loser. The result could be an increase in purchases of lottery tickets.

In addition, lottery retailers (e.g., a convenience store or grocery store) who participate in lottery games wherein certain losing entries can be redeemed for a benefit, may also benefit from an increase in the "foot traffic" through their stores. Such increased "foot traffic" may advantageously afford the lottery retailer added sales opportunities, and an increased amount of "impulse buys" by retail customers. For example, customers may be enticed to buy chewing gum, candy, magazines and/or other moderately priced merchandise that may be available in the vicinity of a lottery terminal in the retail store.

Moreover, litter attributed to losing lottery tickets may also decrease, as such losing lottery tickets may be more likely to be redeemed for a discount at a lottery retailer, rather than being haphazardly discarded by lottery players.

For example, a customer purchases a lottery ticket for the Saturday night lottery drawing from Tom's Mini-Mart. Once the drawing occurs, the customer determines that the lottery ticket is not eligible to be redeemed for any payout(s) and/or prizes, and deems it a losing ticket. He returns the losing lottery ticket to Tom's Mini-Mart on Sunday, where the ticket is confirmed to be a valid losing lottery ticket. Once the validity of the losing ticket is determined, a discount on the purchase of a new lottery ticket is determined and offered to the customer. In this case, the customer returned the valid losing lottery ticket within 48 hours of the drawing, and thus he is entitled to a 10% discount off of the purchase price of a new lottery ticket if he purchases the new lottery ticket from the lottery retailer at that time. The customer is agreeable, so he relinquishes his losing lottery ticket, and purchases a new lottery ticket at the 10% discount. Following the purchase of the new lottery ticket, the lottery retailer transmits information of the losing lottery ticket to the lottery operator, along with a signal (or data) indicating that the losing ticket has been "redeemed". The lottery operator then removes an entry concerning that losing lottery entry from a database, and the lottery retailer
destroys the losing lottery ticket. Such a procedure helps to deter fraud by ensuring that only one discount per losing lottery ticket may be obtained.

The methods and systems disclosed herein are beneficial to lottery participants because such customers can receive a discount on the purchase of a new lottery ticket when they validate and redeem one or more losing lottery tickets at a lottery retailer. Lottery operators also benefit because an offer for discounts on the purchase of new lottery tickets can increase ticket sales, and thus increase the overall revenue taken in by a lottery operator. In particular, customers may be more likely to make an initial lottery ticket purchase, knowing that even a losing lottery ticket can be redeemed for a discount on the purchase price of a new lottery ticket. Moreover, customers with losing lottery tickets are encouraged to prolong the "hope" associated with the initial ticket purchase.

Lottery retailers also benefit from such operation because the lottery retailers can increase the number and frequency of return visits by lottery participants, and thus increase their opportunities for sales of other products and/or services to these customers. For purposes of discussion and explanation, the term "product" and the phrase "products offered by a lottery retailer" and the like will be taken to include various types of goods and services that may be offered by a lottery retailer. In addition, the general public benefits from implementation of the disclosed processes because losing lottery tickets are less likely to end up littering storefronts, roads and other public areas, thus decreasing a visual blight, as well as decreasing the effort needed to keep such places litter-free.

1. Lottery Communications Network

FIG. 1 illustrates a network environment 100 that includes a plurality of lottery retailer terminals 102-1 to 102-N, a communications network 104 and a controller 106. Generally, any or all of the retailer terminals 102-1 to 102-N may operate to: (i) receive information associated with one or more lottery tickets including such data as: (a) ticket and / or lottery entry identifier(s), (b) entry indicia, (c) redemption values (payout values), and (d) discount values; (ii) transmit any or all of the received information to the controller 106 via the communications network 104; and (iii) output information including such data as: (d) information defining lottery entries and (e) information associated with one or more redemption values or discount offers.
In general, each retailer terminal 102-1 to 102-N shown in FIG. 1 will correspond to (or be associated with) a particular lottery retailer. For example, retailer terminal 1 (102-1) of FIG. 1 may be associated with a first lottery retailer such as a convenience store, and retailer terminal 2 (102-2) of FIG. 1 may be associated with a second lottery retailer such as a supermarket. It should be understood that any number of lottery retailer terminals might be employed in a system 100, along with any number of corresponding controllers 106.

The controller 106 may operate to: (i) receive and store information associated with one or more lottery tickets including such data as: (a) ticket/entry identifier(s) and (b) entry indicia; (ii) determine a redemption value (for example, a prize amount) associated with a lottery ticket; (iii) receive a redemption request associated with the lottery ticket; (iv) determine a time associated with the redemption request; (v) determine a discount value if the player redeems a valid losing lottery entry early, which may be determined according to at least one predefined condition (for example, the player qualifies for a particular discount value offer if he makes a redemption request for a losing lottery entry at a time that is not later than a predefined date); and (vi) transmit an indication of the redemption value or the discount offer value to a lottery retailer terminal (e.g., for output or display to a lottery player and/or lottery terminal operator).

In some embodiments, a retailer terminal 102-1 of FIG. 1 may be configured to perform some or all of the functions of the controller 106. Thus, in some embodiments, the controller 106 and the lottery retailer terminal 102-1 (or another given retailer terminal and controller pairing) may be considered as the same "device".

Generally, as explained above, the communications network of FIG. 1 may comprise or include one or more local and/or wide-area network(s), proprietary and/or public network(s) (e.g., the Internet) for facilitating two-way data communications between the retailer terminals 102-1 to 102-N and the controller 106. The lottery controller may communicate with lottery retailer terminals directly or indirectly, via a wired or wireless medium such as the Internet, via a local area network (LAN), via a wide area network (WAN), via an Ethernet, via a Token Ring, a telephone line, a cable line, a radio channel, an optical communications line, a satellite communications link, or via any appropriate communications means or combination of communications means.
Any number and type of devices may be in communication with the lottery controller, and communication between the lottery retailer terminals and the lottery controller 106 may be direct or indirect, such as over the Internet through a Web site maintained by computer on a remote server, or over an online data network including commercial online service providers, bulletin board systems and the like. In some embodiments, the devices may communicate with one another and / or the computer over RF, cable TV, satellite links and the like. A variety of communications protocols may be part of any such communications system, including but not limited to: Ethernet (or IEEE 802.3), SAP, ATP, Bluetooth™, and TCP/IP.

Those skilled in the art will understand that devices in communication with each other need not be continually transmitting to each other. On the contrary, such devices need only transmit to each other as necessary, and may actually refrain from exchanging data most of the time. For example, a device in communication with another device via the Internet may not transmit data to the other device for days or weeks at a time. In some embodiments, a server computer may not be necessary and / or preferred. For example, in one or more embodiments, methods described herein may be practiced on a stand-alone gaming device and / or a gaming device in communication only with one or more other gaming devices. In such an embodiment, any functions described as performed by the computer or data described as stored on the computer may instead be performed by or stored on one or more gaming devices.

2. Lottery Retailer Terminal

FIG. 2 is a block diagram 200 of some exemplary components of a lottery retailer terminal. The lottery retailer terminal 200 may include one or more processor(s) 202 such as the Intel® CORE™ 2 DUO processor, manufactured by INTEL Corporation, or other processors manufactured by other companies, such as the AMD Athlon™ 64 processor manufactured by the Advance Micro Devices company. Generally, the processor is operative to perform or process instructions, and in particular, to operate in accordance with the various methods described herein. For example, the processor 202 may be operable to allow the lottery retailer terminal 200 to transmit data to (and receive
data from) the controller 106 of FIG. 1. More specifically, the processor 202 may enable the transmission of data defining or identifying a lottery ticket or entry.

Accordingly, the lottery retailer terminal 200 may further include one or more input device(s) 204. The input devices may include components such as an optical scanner and / or a barcode scanner, for reading and / or for deriving information associated with a lottery entry. For example, a lottery ticket may include registration marks, authenticity data, various codes, micro-printed indicia, one or more sense marks, and / or other lottery indicia that must be read, for example, to distinguish between one or more lottery entries (which may all be contained on one lottery ticket, for example). Examples of additional input devices include, but are not limited to, a keypad, a mouse, an image capturing device (e.g., an optical character recognition (OCR) device), a biometric reader, a portable storage device (e.g., a memory stick), and the like.

According to some embodiments, the lottery retailer terminal input device(s) 204 may comprise or include a clock. The clock may be employed to detect, derive and / or append time and /or date information for use by the controller 106 to: (i) create a data record corresponding to lottery tickets or lottery entries purchased at the lottery retailer terminal 200, and / or (ii) to determine redemption time and / or date information associated with lottery tickets and / or lottery entries, and / or (iii) determine whether a lottery player has redeemed a losing lottery ticket in a manner that qualifies him to receive an offer for a discount towards the purchase of a new lottery ticket or a discount on the purchase price of a product or service (for example, if the player makes a lottery ticket redemption request within a predetermined time frame (or relative to the occurrence of a given event)). The determination of discount amounts will be discussed in more detail below.

The lottery retailer terminal 200 of FIG. 2 may further include one or more output device(s) 206. Such output device(s) 206 may include such components as a display for outputting information to a lottery player or to a terminal operator (e.g., win / loss information and / or payout amounts), one or more benefit output devices (e.g., a cash drawer, a currency dispenser), a printer for producing a physical record (e.g., paper slip, receipt, ticket, voucher, coupon, etc.) that defines a lottery ticket or lottery entry, audio/video output device(s), and the like.
The lottery retailer terminal 200 may also include one or more communications port(s) 208, such as a serial port, modem or the like. Generally, the communications port 208 may be operable to facilitate two-way data communications between (i) the lottery retailer terminal 200 and (ii) the controller 106 shown in FIG. 1. In accordance with some embodiments, the communications port 208 may operate to facilitate the transmission of information between the lottery retailer terminal 200 and a player device such as a personal digital assistant (PDA), cell phone and / or a dedicated (e.g., a proprietary) device.

The lottery retailer terminal 200 may further include a data storage device 210 such as a hard disk, optical or magnetic media, random access memory (RAM) and / or read-only memory (ROM), or the like memory device. Generally, the lottery retailer terminal data storage device 210 stores a software program 212, wherein the software program enables the processor 202 of the retailer terminal 200 to perform various functions including some or all of the various steps described herein. In some embodiments, the lottery retailer terminal data storage device 210 may include at least one database 214 for storing retailer and/or lottery related information. For example, as noted above with respect to FIG. 1, in accordance with some embodiments, the retailer terminal 200 may be configured to perform some or all of the functions of the controller (and vice versa) such that the controller 106 and the lottery retailer terminal 200 (or, referring to FIG. 1, a given lottery terminal and controller pairing) may be considered as the same "device". An example retailer terminal available in the marketplace is the EXTREMA® clerk-operated lottery terminal, distributed by Scientific Games Corporation of Alpharetta, Georgia.

In some embodiments, a lottery sales device may be utilized in place of a lottery retailer terminal 200. Such a lottery sales device may be implemented as a system controller, a dedicated hardware circuit, an appropriately programmed general-purpose computer, or any other equivalent electronic, mechanical or electro-mechanical device. Thus, in various embodiments, a lottery sales device may comprise, for example, a Video Lottery Terminal that may include a touch sensitive screen for use by a player or by a retailer, a personal computer (e.g., which communicates with a remote lottery server), a telephone, or a portable handheld device (e.g., a device similar to a personal digital
assistant (PDA) or other analog or digital communications device). The lottery sales
device may comprise any or all of the devices of the aforementioned systems. In some
embodiments, a user device such as a PDA, cell phone, and / or portable gaming unit
(e.g. the Playstation™ Portable (PSP), distributed by Sony Corporation) may be used in
place of, or in addition to, some or all of the device components.

3. Lottery Operator Controller

FIG. 3 is a block diagram illustrating an embodiment of the components of a
lottery operator controller 300. Similar to the lottery retailer terminal 200 of FIG. 2, the
lottery operator controller 300 may include one or more processors such as the Intel®
CORE™ 2 DUO processor, manufactured by INTEL Corporation, or other processors
manufactured by other companies, such as the AMD Athlon™ 64 processor manufactured
by the Advance Micro Devices company. Such a processor 302 functions to process
instructions, and in particular, to operate in accordance with various methods described
herein. For example, the processor 302 may operate to allow the lottery operator
controller 300 to transmit data to (and receive data from) the lottery retailer terminal 200
shown in FIG. 2. More specifically, the controller processor 302 may enable the
transmission of data defining or identifying a particular lottery ticket or entry, as well as
information defining a payout or a discount offer associated with that lottery ticket to a
specific one of the lottery retailer terminals 102-1 to 102-N shown in the lottery network
100 of FIG. 1. Thus, the lottery operator controller may be implemented as a system
controller, a dedicated hardware circuit, an appropriately programmed general-purpose
computer, or any other equivalent electronic, mechanical or electro-mechanical device.
In various embodiments, a lottery operator controller may comprise, for example, a
personal computer (e.g., which communicates with a remote lottery sales terminal) or
mainframe computer.

The lottery operator controller 300 may further include one or more input
device(s) 304. Examples of such input devices include a keypad, a mouse, a touch-
screen, a random number generator, a microphone, and other digital or analog input
devices. According to some embodiments, the lottery operator controller input device(s)
304 may comprise or include a clock. As described above, the clock may be employed to
derive time and / or date information for use by the lottery controller 300 to (i) generate a
data record corresponding to lottery tickets or lottery entries purchased at the lottery retailer terminal 200, and / or (ii) determine redemption time and / or date information associated with lottery tickets and / or lottery entries, and / or (iii) determine whether a lottery player has redeemed his ticket in a manner that qualifies him to receive a predetermined particular benefit. For example, a 10% discount may be awarded to a player if the player makes a lottery ticket redemption request within a predetermined time frame (or relative to the occurrence of a given event).

The embodiment of the lottery operator controller 300 further includes one or more output device(s) 306. Example of output devices 306 include a monitor or other display for outputting information to a user of the lottery operator controller (such as a display screen for displaying statistical information or sales data, win and loss information and / or payout amounts), a printer for producing a physical record (such as a report, a paper slip, a voucher, a coupon, a ticket) of such data, and the like. In addition, the lottery operator controller 300 may include one or more communications ports 308, such as a serial port, modem or the like, operable to facilitate two-way data communications between (i) the operator controller 300 and (ii) one or more lottery retailer terminals 200, as described above with respect to FIGS. 1 and 2.

The lottery operator controller 300 may also include a data storage device 310 (for example, a hard disk or hard drive, flash memory, a media-based (removable) memory, or the like). In some embodiments, the lottery operator controller data storage device 310 stores at least one software program 312, which includes a program to enable the processor 302 to perform some or all of the various steps and functions of at least one implementation of the methods described in detail herein. In addition, the lottery operator controller data storage device 310 may operate to store various databases, for example, (i) a lottery games database 314, (ii) a lottery ticket database 316, and (iii) a lottery ticket redemption status database 318 (which may include data concerning both winning lottery entries and losing lottery entries). In some embodiments, the data storage device 310 may include additional database information, or may store fewer databases.

In some embodiments, the lottery operator controller 300 may include a lottery ticket server device (not shown) that may be located at a lottery ticket printing facility,
and may also function to manage the ticket printing process. The lottery operator controller 300 may also function to determine the lottery game matrix (for example, determining base payouts, enhanced payouts, win frequencies and the like) and to match static lottery content with secure paytable (or payout distribution) data. In some embodiments, a lottery ticket printer device (not shown) for use in such lottery systems may utilize the game matrix information from the lottery server and may apply it to the secure paytable data.

4. Other Devices

In some embodiments, a kiosk (not shown) may be configured to execute or assist in the execution of various lottery game processes, and may be configured to permit players to directly purchase lottery tickets. In an implementation, a kiosk may be physically located in a retail store, a mall, or in a mall parking lot, and may include at least one processor and a storage device or memory as described above. A kiosk may also include various input devices (such as a keyboard, a mouse, buttons, an optical scanner for reading barcodes or other indicia, a CCD camera, and the like), that may be used by a player and/or a retailer to order and/or to select and/or to redeem lottery game entries. The kiosk may also include output devices (such as a display screen, audio speakers), benefit output devices (such as a coin tray, a currency dispenser), communications ports, and the like for use by players and retailers to obtain information and/or benefits (such as discounts for redemption of losing lottery entries, and prizes for redeeming winning lottery entries). A kiosk may be configured to communicate with a lottery controller and/or a lottery server. In some embodiments, kiosks may execute or assist in the execution of various lottery functions, as described herein.

In some embodiments, players may use one or more computing devices to obtain more information about the lottery games, and/or the specific lottery game that the player is playing. For example, a player may utilize a personal computer to access a website that contains lottery game hints, lottery game instructions, winning lottery entry payout information that includes base payout information and enhanced payout information, redemption information for losing lottery tickets, and the like.
5. **Processing Losing Lottery Entries**

FIG. 4 is a flowchart of an embodiment of a process 400 for providing a discount to a customer for redeeming an eligible losing lottery ticket in accordance with one or more predetermined conditions. The process 400 may include steps (or elements thereof) that may not be necessary, and it should be understood that the steps may be performed in any practicable order.

The illustrative process 400 includes determining 402 whether a customer's lottery ticket includes at least one valid losing lottery entry. In some embodiments, a player may purchase a lottery ticket that includes two or more lottery entries. If the player's lottery ticket does not include at least one valid losing lottery entry, then the process ends 404. If the lottery ticket is an authentic losing lottery ticket (i.e., it contains at least one losing lottery entry) then the process continues by determining 406 if the customer is eligible for a discount. If not, then the process ends 404. But if the losing lottery ticket conforms to certain predetermined discount eligibility criteria or factors, then it is eligible for a discount and the process next includes reporting the redemption of the losing ticket 408 (for example, to a lottery administrator), determining the discount 410 (for example, by performing a search of a database), offering the discount 412 to be applied to a purchase of a new lottery ticket, and preventing reuse of the losing lottery ticket 414 (for example, by noting in a database that this particular losing lottery ticket has been redeemed to prevent another person from obtaining another discount).

According to some embodiments, a customer may be offered a discount upon purchasing a new lottery ticket, without first determining whether the customer in fact holds a losing ticket and/or is entitled to receive the discount (for example, the provision of the discount may be conditioned upon the customer presenting a losing lottery ticket to a lottery retailer). This form of up-front advertising may apprise lottery participants of available discounts stemming from the verification and redemption of losing lottery tickets. A discount may be offered to a customer in several ways. For example, a lottery vendor clerk may orally make an offer for a discount when the customer is about to purchase a new lottery ticket from a cashier at a lottery retailer. The cashier (perhaps prompted by an automated lottery terminal) may point out to the customer: "If you have a losing lottery ticket, you may be eligible to receive a discount on the purchase of a new
lottery ticket. " Alternately, a discount offer may be presented by an automated lottery terminal. For example, prior to inserting payment into an automated lottery terminal to purchase a new lottery ticket, the terminal prompts the customer with the following message: "Do you have a losing lottery ticket with you? If so, you may be eligible for a discount on a new lottery ticket. Scan your losing lottery now, or touch "No Losing Ticket" to continue."

Other embodiments may include one or more forms of advertising to make lottery players aware of discount offers for redeeming losing lottery tickets. For example, a store-front poster, playback of a prerecorded audio or video message at a lottery kiosk, and/or a message printed on the reverse sides of a lottery ticket may be used to inform lottery players of discounts. In an embodiment, an audio message is played by a device through a speaker system whenever a customer walks through the front door of a convenience store, reciting: "Redeem your losing lottery tickets for a discount on a new ticket!" In another example, a video monitor continually repeats a video message to customers of a convenience store, wherein the video may depict, for example, a customer turning in a losing lottery ticket for a potentially "lucky", new ticket. In addition, each lottery ticket may contain the following written information: "Bring back your losing lottery ticket to its original place of purchase within 48 hours, and receive anywhere from 5% to 20% off your next lottery ticket purchase."

As explained above, in order for a customer to receive a benefit from a lottery ticket, the ticket must first be received by a lottery retailer and validated as an authentic lottery ticket. Receipt and validation of the lottery ticket can be performed by a cashier or automated lottery terminal at the lottery retailer. For example, a lottery retailer may receive at least one losing lottery ticket from a customer for verification, and a cashier or clerk may utilize an input device in communication with a lottery terminal to determine whether or not that lottery ticket is authentic. A cashier may also manually enter the ticket's information into an electronic device, and may visually confirm that the ticket is a valid lottery ticket (for example, a cashier visually inspects the ticket and determines that the ticket bears no physical indication that it is an invalid ticket). In another embodiment, a customer may utilize an automated lottery terminal and place his lottery ticket under a lottery ticket barcode scanner. The scanner reads the ticket's barcode and
interprets information pertaining to the ticket, including whether it is a valid lottery ticket and if it contains winning or losing indicia.

Information received, for example, from a lottery controller may be used to verify that the tendered lottery ticket is valid, that the ticket was actually purchased from a licensed lottery vendor, that the ticket was purchased by the individual redeeming the ticket, verify that the ticket was not stolen, that the ticket is in its original state and has not been altered, reproduced or tampered with in any way, that the ticket is not forged or fabricated in any part, and / or that the ticket was purchased within a specified time range (for example, that the ticket was purchased within the seven days prior to the current date, and / or that the ticket was valid for the most recent lottery drawing). The information may also indicate that the ticket validation code correlates to its serial number (and this data may be applicable to scratch-it and instant-type lottery tickets). In some embodiments, an eligibility database may be utilized to determine whether the lottery ticket information for the tendered losing lottery ticket matches that of a pre-existing lottery ticket entry in the database.

In order for the customer to qualify for a discount, a determination must be made that the lottery ticket is indeed a valid losing lottery entry. Therefore, it must be verified that the lottery ticket has not ever been redeemed for any cash or non-cash prize, payable by the lottery. Consequently, the lottery ticket must not meet any of the winning criteria listed within the specific lottery ticket’s game rules (for example, the lottery ticket does not contain at least X matching numbers with respect to Y drawn numbers). Thus, a traditional lottery ticket with a set of numbers may not, in whole or in part, match a corresponding set drawn at random by a lottery operator. An "instant win" or "scratch-it” type ticket, must have no matching symbols, instant win symbols, or any markings indicating that it is a winning ticket, according to the rules (for example, as printed on the ticket).

In one embodiment, described in more detail below, a lottery payout database is utilized to check each tendered lottery ticket for winning and for non-winning combinations. In order for a customer to be eligible for a discount, his lottery ticket may be compared to data in the lottery payout database, which includes a record of all lottery tickets valid for redemption. The database entry corresponding to the lottery ticket is
used to confirm that the redemption value for the ticket is $0, or that it is in fact a losing lottery ticket. This database may be populated immediately following (or concurrent with) a drawing (for example, the identifiers of all tickets with losing combinations are entered into records with corresponding status fields marked "discount unredeemed" or the like). In an example, a lottery ticket number (or other identifier) is not contained within a database of winning lottery ticket numbers and / or identifiers.

After confirming that the customer has indeed tendered a valid losing lottery ticket, the process includes determining if that losing lottery ticket is eligible for a discount towards the purchase price of a new lottery ticket. The discount eligibility may be based on one or more discount eligibility factors that may change periodically. In some embodiments, an eligibility factor may be randomly determined (by using a random number generator). For example, a random number generator outputs a number between 1 and 10 (wherein one or more numbers/identifiers on the losing lottery ticket may be used as the seed number for the random number generator). If the random number generator produces a number greater than or equal to 6, for example, the losing lottery ticket is eligible to be redeemed for a predetermined discount amount. In another embodiment, the discount amount may be determined randomly in conjunction with a lottery drawing. For example, any losing lottery entry that includes the first number drawn (e.g. the number 4) may be eligible to qualify for a discount amount toward a subsequent lottery purchase. In yet another embodiment, eligibility may be based on the time of day. For example, discounts may only be received during off-peak hours of the lottery retailer. For instance, in order to attract more foot traffic during the hours between lunch and the afternoon rush hour (1-4pm), a lottery retailer may choose to only offer the discount for redeeming losing lottery tickets only during those hours. Similarly, a discount may be offered only on a specific day. For example, a losing lottery ticket may only be eligible for a discount on the lottery retailer’s least profitable days of the week. Other dates could be selected, for example, a losing lottery ticket may only be eligible for a discount on the customer's birthday, or may only be eligible for a discount on the first of the month.

FIG. 5 is a flowchart illustrating an embodiment of a process for determining a discount 500 for a customer who has tendered an eligible losing lottery ticket. The
process includes determining the purchase date 502 of the losing lottery ticket, and then determining a duration value 504 that is equal to the time that has passed between the date of purchase and the date the losing lottery ticket was redeemed. If the duration value is not greater than a first predetermined value 506, then the customer is provided with a premium discount offer 508 (for example, if the first predetermined value is 2 days (or 48 hours), and the duration value is one and one-half days (or 36 hours), then the customer will be presented with a discount offer equal to 25% off the purchase price of a new lottery ticket). However, if in step 506 the duration value is greater than the first predetermined value, then the process branches to step 510 to determine if the duration value is greater than a second predetermined value. If the duration value is not greater than the second predetermined value, then the customer is presented with a secondary discount offer 512 that is less than the premium discount offer (for example, if the second predetermined value is 10 days, and the duration value is 5 days (which is greater than the first predetermined value of 2 days, but less than 10 days), then the customer will be presented with a secondary discount offer equal to 10% off the purchase price of a new lottery ticket). However, if in step 510 the duration value is greater than the second predetermined value, then in step 512 the customer is informed that no discount offer is available.

Other factors may be used to determine the eligibility of a customer to receive a discount for redeeming a losing lottery ticket. For example, the location of ticket redemption may be used. In this case, a losing lottery ticket may only be eligible for a discount if it is redeemed at a different location from where it was originally purchased. Alternately, in order to promote customer loyalty, a lottery participant may be required to redeem a losing lottery ticket for a discount at its original place of purchase. A lottery participant may be required to redeem a losing lottery ticket for a discount at specific retailer and/or type of retailer (e.g. any "7-11" convenience store, any pharmacy-type store, Don's Discount Gas Station at 123 Main St., Townville, etc.).

Other considerations may be used to determine whether the player tendering a losing lottery ticket is eligible for a discount. For example, successive game play may be required, wherein, for example, a customer must bring in losing lottery tickets for ten consecutive drawings in order for an eleventh losing lottery ticket to be eligible for a
discount. In some embodiments, a number of eligible losing lottery tickets must be presented. For example, a customer must bring in at least five losing lottery tickets in order to have any of the five losing lottery tickets eligible for a discount. In some embodiments, the metrics of game play may factor in to determining whether a player is eligible for obtaining any discount for redeeming a valid losing lottery ticket. For example, such metrics as the amount of non-matching numbers on a lottery ticket may be used (e.g. the customer may receive a $.05 discount (a nickel discount) for every six numbers that do not match any previously-drawn number), and / or the value of non-matching symbols on instant-win type lottery tickets may be utilized.

The value or magnitude of a discount toward a new lottery ticket may be determined for a customer, once it evident that the customer is eligible for the discount. The discount may be determined based on a number of discount factors that may change periodically. The discount may be expressed as a percent savings off of a nominal sale price and / or a specific amount of currency deducted from a sale price. A maximum discount per person, per ticket, or per time period may also be a factor when determining the discount. The discount may be a predetermined set amount, for example, a standard 10% discount is available to all customers who present a losing lottery ticket. The discount may be based on a predetermined discount amount plus a variable discount amount, or a range of discounts may be available. For example, a total discount of 15% is determined by adding a 5% base discount to another 10% discount for a customer who has returned 10 weeks in a row. Those customers who aren't returning customers may only receive the base 5% discount. The variable portion of the discount may be determined based on one or more factors, such as the amount of time that has passed from the purchase date of the losing lottery entry (that is, losing tickets that are redeemed in a timely or prompt manner may qualify for a larger discount than losing tickets that are not redeemed until some relatively longer period of time has passed from the purchase date/time). The variable portion of the discount may be determined at random, possibly chosen from a range of discount options, by an automated lottery terminal, for example.

In some embodiments, there may be an equal likelihood in selecting any single discount value from a range of discount values, over any other value in the range. For example, for a discount range of 5%-20% off a new lottery ticket, a 20% discount is just
as likely to be selected at random as a 5% discount is likely to be selected at random. However, there may be a greater likelihood in selecting any single discount value from a range of discount values, over any other value in the range. For example, for a discount range of 5%-20% off a new lottery ticket, a 5% discount may be much more likely to be selected at random, than the highest 20% discount, based on assigned probabilities of selection of a given discount amount or discount percentage. In an example, an automated lottery terminal scans a customer's lottery ticket and determines it to be a valid losing ticket. Utilizing a random number generator, the automated lottery terminal picks an 8% discount (e.g., from a preset discount range of 5%-20%) good towards the customer's next lottery ticket purchase.

A discount may be determined based on a plurality of factors, such as the time of day. For example, higher value discounts may be received during off-peak hours of the lottery retailer. For instance, in order to attract more foot traffic during the hours between lunch and the afternoon rush hour (1-4pm), a lottery retailer may choose to offer a 20% discount during those hours, versus a 10% discount during all other hours of the day. Certain classes of discounts may be offered only on a specific day. For example, higher value discounts may be received during the lottery retailer's least profitable days of the week, with the most profitable days receiving a standard or minimal discount. In a specific example, on August 26th, a 10% "National Dog Day Discount," may be given off of the purchase price of a new lottery ticket if the customer presents an eligible losing lottery ticket.

A discount may be determined based on the location of ticket redemption. For example, in order to increase foot traffic through their store, a lottery vendor located in a less-traveled part of town may offer a discount larger than a lottery vendor located in a generally more-accessible area. In order to promote customer loyalty, a lottery participant may be required to redeem a losing lottery ticket for a discount at its original place of purchase.

A discount may be offered for successive game play. For example, a customer has entered the first 20 lottery drawings of the year, and thus qualifies for a 10% discount on a ticket for the 21st drawing if he brings in a losing ticket. In another example, a customer receives a 1% discount for every consecutive week he has bought a new lottery
entry. The discount (e.g. up to 10%) can be applied to a new lottery ticket, at which time
the discount amount is reset to 0.

A discount may depend upon the number of eligible losing lottery tickets
presented for redemption. For example, a customer receives a 1% discount off a new
lottery ticket, for every losing lottery ticket that he brings in. In other embodiments, the
discount may depend upon quantifiable metrics of the losing ticket. For example, a
losing lottery ticket that has correctly matched none of the six chosen numbers is eligible
for a 10% discount, whereas a ticket that has matched one of the six numbers will receive
only a 5% discount. In another example, an instant-win "scratch ticket" where prize
symbols must matched in order to win, does not contain a match, or even a single prize
symbol over $20. This losing ticket is eligible for a 20% discount on a new ticket. A
"scratch ticket" containing multiple, non-matching symbols over $1000, may entitle the
customer to a 5% discount on a new ticket.

In some embodiments, the discount may be based on the current jackpot size,
such that a losing ticket may only be redeemed for a discount if the jackpot amount is
greater or less than a certain amount. For example, a losing ticket may only be eligible
for a $.25 discount on another ticket if the jackpot is less than $5 million. Such an
embodiment may serve to encourage ticket purchases early on in a "jackpot lifecycle",
thereby growing the jackpot, which is typically helpful to ticket sales. Moreover, the
extent of the discount may vary based on the growing jackpot size. For example, if the
jackpot is less than $5 million, discounts are $.25. If the jackpot is between $5 and $10
million, the discount may be reduced to $.20, and the like. In some embodiments, a
discount may be determined based on the incremental gain in the size of the top jackpot
from one drawing to the next. For example, if a top jackpot grows to $15 million from
$10 million, the discount may be determined to be 10%.

According to some embodiments, the discount for redeeming an eligible losing
lottery ticket may be based on other purchased items. If another item is being purchased
from the lottery vendor, the discount may be based on the profit margin that the vendor
makes on that item. For example, a customer who presents an eligible losing ticket also
purchases a high-margin product from the lottery retailer (e.g. a high-margin "Big Gulp"
from a "7-11" convenience store that retails for $1.69). On such high-margin items, the
preset discount on a new lottery ticket may be determined to be on the order of 20%. In some embodiments, a discount amount may be set by the lottery administrator, or by the lottery vendor.

A maximum discount amount may be set towards the purchase of at least one new lottery ticket, and may apply to the customer's purchase of a single new lottery ticket. The maximum discount may apply to the customer's cumulative purchase of new lottery tickets. For example, a customer receives a discount of 1% off a new lottery ticket for every losing lottery ticket that he brings in. The customer brings in 50 losing lottery tickets, but can only receive a maximum discount of 20% per new lottery ticket. So, the customer is offered a 20% discount on his first new lottery ticket purchase, a 20% discount on his second new lottery ticket purchase, and a 10% discount on his third new lottery ticket purchase. In some embodiments, a maximum discount amount may be set for a specific time period. For example, a customer can receive a maximum discount totaling $10 off new lottery tickets each week.

After a discount amount has been determined, the process may include selling a new lottery ticket for a discounted price. In an embodiment, the lottery retailer receives an indication that a customer would like to purchase a new lottery ticket utilizing a discount received from a losing lottery ticket. For example, a customer states that he would like to purchase a new lottery ticket at a discount. In some embodiments, a written indication may be received, for example, a customer fills out a lottery ticket entry form, and marks a checkbox indicating that he would like to receive a discount based on a redeemed losing lottery ticket. In some embodiments, the customer may utilize one or more input devices associated with, for example, a lottery terminal to provide an indication that he would like to use a discount to purchase a new lottery ticket. The customer may use a button, a touch screen, and / or a microphone to make such a selection. For example, a customer presses a button on an automated lottery ticket vending machine, indicating that they’d like to redeem a losing lottery ticket for a discount on a new lottery ticket. A sale price may then be calculated by the terminal and / or by a controller equal to the full price of a new lottery ticket reduced by the discount amount, and this discount price displayed on a monitor to the customer. The customer may then tender payment in the form of cash, check, or credit card. In some
embodiments, a payment may be debited from a lottery ticket credit balance. After payment has been tendered, the new ticket is provided to the customer.

Once the losing lottery ticket has been validated, and a corresponding discount on a new lottery ticket has been used, steps may be taken to insure that the losing lottery ticket cannot be used to receive any additional discounts (e.g. to prevent fraud). In some embodiments, this is achieved by having the lottery retailer confiscate and / or destroy the losing lottery ticket, or by utilizing a database to keep track of each losing lottery ticket that has been redeemed for a discount (for example, a losing lottery ticket identifier may be voided with respect to discount eligibility).

In some embodiments, a losing lottery ticket may be added to a database of "redeemed" losing tickets. For example, upon successful purchase of a new lottery ticket for a discounted price, the losing lottery ticket and its date of purchase are added to a database that denotes invalid or used tickets. (Once a new ticket has been purchased for a discount, the losing ticket is added to a database that lists tickets no longer qualifying for a discount on a new lottery ticket.) In some embodiments, when a lottery ticket is redeemed, it is looked up in a ticket database of valid lottery tickets and a record is made in that database that the losing lottery ticket has been redeemed. For example, a losing lottery ticket with a unique identifying number is used to purchase a new lottery ticket at a discount. The losing lottery ticket entry is found within a lottery ticket database, and is marked as "redeemed for discount," within the database. In some embodiments, the record for a redeemed losing lottery ticket is removed from a lottery ticket database. For example, a losing lottery ticket with a unique identifying number is found within a lottery ticket database, and is redeemed in exchange for a discount on a new lottery ticket. Once the discount has been received, the losing lottery ticket entry data is removed / deleted from the lottery ticket database.

In some embodiments, at the time of redemption, the losing ticket is retrieved and / or confiscated from the customer. For example, the lottery retailer may physically destroy a losing lottery ticket in a paper shredder, after it has been used to receive a discount on a new lottery ticket. In some embodiments, the losing lottery ticket is confiscated by a lottery retailer and sent to the proper lottery operator or administrator for proper disposal.
6. Lottery Entry Database

FIG. 6A depicts a tabular representation of an embodiment of a lottery ticket database 600 corresponding to an on-line lottery game, and FIG. 6B depicts a tabular representation of an embodiment of a lottery ticket database 650 corresponding to an instant lottery game. In general, lottery ticket databases such as that shown in FIGS. 6A and 6B store data associated with eligible lottery tickets and / or lottery entries for a given instance of a lottery game and / or lottery drawing.

Referring to FIG. 6A, the lottery ticket database 600 includes a game identifier field 601 for storing data identifying the particular lottery game (or type of game) associated with lottery tickets (as defined by other records in the table of FIG. 6A). The lottery ticket database 600 may also include a game instance identifier field 602 for storing data identifying a particular instance (e.g., a drawing) associated with the particular lottery game. For example, the information stored in the game instance identifier field 602 may include the time and / or the date information identifying the particular instance (for example, the drawing time and date of winning numbers) of the lottery game.

Each lottery ticket that is eligible for the lottery game identified in field 602 is associated with a premium discount field 603, a secondary discount value field 604, and an expiration date field 605. The premium discount field 603 stores data indicative of the last available date by which a player who redeems a losing lottery entry associated with this lottery game instance will receive a premium value discount off the purchase price of a new lottery ticket. In this example, if a player redeems an eligible losing lottery ticket within two days of the drawing date (e.g. redeem by June 3, 2008) then he will receive a premium discount offer of 20% off the purchase price of a new lottery ticket. The secondary discount field 604 stores data indicative of the last available date by which a losing lottery entry associated with this lottery game instance will receive a secondary discount off the purchase price of a new lottery ticket. In this example, if a player redeems an eligible losing lottery ticket between two days after the drawing date, but before two weeks expires from the drawing date (e.g. redeem between June 4, 2008 and June 14, 2008) then he will receive a secondary discount offer of 10% off the purchase
price of a new lottery ticket. In some embodiments, a tertiary discount, for example a 5% discount, may be offered for redeeming losing lottery tickets that are redeemed after June 14, 2006 and before expiration of the lottery game. The expiration date field 605 stores data indicative of the last available date by which winning lottery entries associated with that lottery game instance may be redeemed, and in the example shown in Fig. 6A, the expiration date of the lottery game is June 1, 2009. This is the expiration date of the lottery game and/or entry, for the redemption of losing lottery entries (to receive a discount) and for the redemption of winning lottery entries (to receive a prize).

For each lottery ticket that is eligible for the identified game and game instance (e.g., an instance of a drawing for which the entry may be eligible), a lottery ticket identifier field 608 stores data identifying the eligible ticket(s). The information stored in the lottery ticket identifier field 608 may be any unique numeric, alphanumeric or other type of code that uniquely identifies an eligible lottery ticket for the particular lottery game instance identified by the information stored in the game instance identifier field 602. In association with the identifier that uniquely identifies a given eligible lottery entry, ticket entry/indicia fields 610 and 612 to 614 store data representing the particular numbers (or other indicia) comprising or corresponding to the actual lottery entry (e.g., in accordance with an on-line game embodiment) of the corresponding record. As shown, there are N such fields (where N may be equal to the total amount of numbers to be drawn for that particular lottery). For example, the New York State lottery agency operates a daily on-line lottery game called "Pick 10", wherein players may select 10 numbers from the ordinal range of 1 through 80 (inclusive) by filling in squares on a playcard. The player then receives one or more lottery ticket(s) (or entries) for use in comparing their chosen numbers to numbers determined via a random drawing (i.e., "winning numbers"). If the database 600 corresponds to such a "Pick 10" game, then row R600-1 for ticket T-11111 would include ten fields (one for each number chosen by the player), such that ticket/entry indicia 1 in field 610 is 14, ticket/entry indicia 2 in field 612 is 23, out to the tenth chosen number (shown in ticket/entry indicia N field 614) of 28. Similar data is shown for rows R600-2, R600-3 and R600-N in FIG. 6A. The information stored in these lottery ticket or lottery entry indicia fields will be compared by the operator controller to a given set of winning indicia (e.g., determined in
conjunction with the lottery drawing) in order to determine the win or loss status and associated payouts (if any) for each of the eligible lottery entries within a given game instance (e.g., an instance of a drawing).

In addition (though not shown) the ticket database of FIG. 6A may include one or more field(s) operative to store other types of data, such as data identifying the particular retailer from which the lottery ticket was purchased, and / or data identifying the time and date of the lottery ticket purchase.

FIG. 6B illustrates an embodiment of a lottery ticket database adapted for use in conjunction with an "instant" lottery game. The lottery ticket database of FIG. 6B may include a lottery game identifier field 652, which in this example indicates GM-INSTANT-N, for storing data identifying the particular game (or type of lottery game) associated with the lottery tickets (as defined by records in the table of FIG. 6B). In addition, a premium discount field 653 may be included, which stores data for determining a premium discount value. For example, the information stored in the game identifier field of 652 may comprise or include a version number associated with a particular game title (e.g., "Joker Poker 2.0") and / or a unique numeric identifier. In addition, the information stored in the premium discount value filed 653 includes, for example, a deadline of 48 hours from time of purchase for a customer to be eligible to receive an offer for a premium discount of 20% off the purchase price of a new lottery ticket. In an example embodiment, after 48 hours from the time of purchase expires, and until a predetermined deadline is reached, a 10% discount may be offered for redemption of eligible losing lottery tickets.

For each instant lottery ticket that is associated with the game identifier 652 shown in FIG. 6B, a lottery ticket identifier field 654 stores data identifying the eligible ticket(s). The information stored in the lottery ticket identifier field 654 may be any unique numeric, alpha-numeric or other type of code that uniquely identifies a lottery ticket that is eligible for the particular game instance identified by the information stored in the game identifier field 652. For each instant lottery ticket that is associated with the identified game and / or game instance, a payout / prize field 656 stores data corresponding to the payout and/or prize associated with the instant lottery ticket of the corresponding record. In contrast to on-line games (such as "pick-6", described above
with regard to FIG. 6A), the payouts and/or prizes (and thus redemption values) associated with instant lottery games are typically predetermined and assigned to respective individual physical lottery tickets at the time of their manufacture (instead of per the result of a comparison of player-chosen indicia to operator-selected winning indicia). Thus, the payouts and/or prizes are known prior to purchase of any of the instant lottery tickets by a customer, and thus the instant game lottery ticket database of FIG. 6B can be populated before the instant game lottery entries are offered for sale.

In accordance with some embodiments, an offer for a discount off the purchase price for a new lottery ticket with an eligible losing instant or scratch-off game ticket may be determined based on the elapsed time between the initial purchase of the lottery ticket and the actual time of redemption of that lottery ticket. Accordingly, the ticket database 650 includes a time of purchase data field 658, a time of redemption data field 660, a discount data field 662, and a new ticket purchase data field 664.

For example, the data contained in row R650-1 indicates that the lottery ticket 1-555441 is associated with a payout of zero and was purchased on May 1, 2006. This ticket was redeemed on May 2, 2006, and since the redemption date is within 48 hours of purchase, the customer received a 20% discount offer for purchasing a new lottery ticket. As shown in field 664, the customer purchased a new lottery ticket for 20% off, and such information may be transmitted, for example, by a lottery retailer to a central controller at the time of purchase of the new lottery ticket. The data for ticket 1-555442 shown in row R650-2 indicates that this lottery ticket is also a losing entry and has not yet been purchased. Thus, there are no other data entries for this ticket. Referring to row R650-3, the lottery ticket 1-555443 is associated with a payout of $50.00 as shown in Payout/Prize field 656. In addition, as shown in data fields 658 and 660, lottery ticket 1-555443 was purchased on May 10, 2006, and was redeemed on May 12, 2006. Since this is a winning lottery ticket, it does not qualify for a discount offer, and thus Discount field 662 and New Ticket Purchase field 664 are not applicable. Lastly, as shown by the data in row R650-N, ticket 1-950000 was a losing ticket, was purchased on May 3, 2006 and redeemed on May 7, 2006, and since the redemption occurred more than 48 hours from the time of purchase, a 5% discount was offered to the customer. However, in this case, as indicated in new ticket purchase field 664, the customer did not accept the offer and
thus did not purchase a new lottery ticket. In some embodiments, the new ticket purchase field 664 may not be used because there may not be a requirement to immediately purchase a lottery entry and / or the discount offer may not have an expiration date. In such a case, a discount coupon or other indicia could be provided to the customer for use at any time to purchase a lottery ticket.

7. Redemption Status Database

FIG. 7 is a tabular representation of an embodiment of a redemption status database 700 that may be utilized by a lottery operator controller. In general, the redemption status database 700 stores information that may be used by the lottery operator controller to determine the redemption value of a lottery ticket, and may be used to determine if a customer should be offered a discount towards the price of a new lottery ticket for redeeming a losing lottery ticket. The database 700 includes a game identifier field 702 and a game instance identifier field 704 (both of which have been described above with respect to FIGS. 6A and 6B). A game results field 706 is also included for storing information identifying a set of winning indicia, in this case the winning lottery numbers that were drawn (according to an on-line game embodiment). In the illustrated example, the game results field 706 indicates that the results of the lottery game drawing were the numbers 03, 11, 16, 19, 33 and 40, and these numbers are associated with the game GM-DRAW-001 as indicated in field 702. Thus, these numbers are the set of winning numbers for this particular game instance (for other lottery games, a set of symbols rather than numbers may be drawn), and as shown in field 704 the numbers were drawn on June 1, 2006. Based on the information stored in the game results field 706 and the information in the corresponding entries of the ticket database 600 (see FIG. 6A), a payout or prize is determined for the winning lottery tickets identified by an entry in the ticket / entry identifier field 708 of the corresponding record. For example, the payouts may be determined in a known manner with regard to various payout criteria (and / or game rules) represented in a lottery games database (not shown). Upon determination of a payout, information representing this amount is then stored in the "redemption value" field 710 of the redemption status database 700.
In accordance with some embodiments, one or more discounts and/or a range of discounts may be associated with a particular lottery ticket or lottery entry. For example, the available discount value may be within a range of 10% to 25% off of the purchase price of a new lottery ticket, as shown in the "available discount value" field 712. (As discussed above, in some embodiments the discount may be applied by a customer to products and/or services instead of, or in addition to, a new lottery ticket). For each lottery ticket or lottery entry defined by an entry in the ticket status database 700, a redemption status field 714 may store information representing whether or not a payout for a winning lottery ticket or a discount associated with a particular losing lottery entry has been issued, claimed or awarded. Upon the issuance (or authorization of issuance) of a discount for a given entry, information reflecting the discount amount may be stored in the "discount offer" field 716, and an indication of whether the customer accepted the discount, and thus used the discount to purchase and item and/or a new lottery ticket, may be indicated in the "discount accepted" field 718.

As mentioned earlier, a discount may be associated with the lottery ticket or lottery entry for a limited amount of time (or until the occurrence of a given event) in order to provide an incentive for players to promptly redeem (all or some) of their losing lottery entries. For example, the premium discount for redemption of a losing lottery ticket of 25% off the purchase price of an item and/or a new lottery ticket may only be available from the date of the lottery drawing until an expiration date that occurs two days later (in this example, referring to FIG. 7, for this particular instance of game GM-DRAW-001, the drawing occurred on June 1, 2006, so the premium discount expired on June 3, 2006). Thereafter, a 15% discount may be offered from day 3 to day 7, (June 4, 2006 to June 8, 2006) and a 10% discount from day 8 until the end of the month (June 9, 2006 to June 30, 2006). Other conditions may also apply, for example, in order to qualify for a 25% discount on the purchase price of a new lottery ticket a customer may also be required to redeem at least five losing lottery entries. Thus, upon redemption of a losing lottery entry or entries, and after an appropriate discount has been offered to the customer, discount information may be stored in the "discount offer" field 716.

Referring again to FIG. 7, as shown in each of rows R700-1 to R700-4, which corresponds to the lottery tickets T-111111, T-111112, T-111113, and T-111114, the
redemption value field 710 is zero. Thus, each of these four lottery tickets is a losing lottery entry. In accordance with this embodiment, each of these lottery tickets is eligible for a discount of between 10% and 25% as shown in the "available discount" field 712. For ticket T-111111 shown in row R700-1, the "redemption status" field 714 indicates that this ticket has not been redeemed, and thus both the "discount offer" field 716 and the "discount accepted" field 718 are blank. But as shown in row R700-2, the "redemption status" field 714 indicates that ticket T-111112 was redeemed on June 2, 2006, and accordingly a 25% discount was offered to the customer as shown in the "discount offer" field 716. In this case, the customer accepted the discount, as indicated by the "Yes" entry in the "discount accepted" field 718. As shown in row R700-3, the losing lottery ticket T-111113 was redeemed on July 15, 2006 at 10:18 AM. Since this redemption date is more than 30 days from the drawing date of June 1, 2006, no discount was offered, and thus fields 716 and 718 are blank. A customer redeemed losing lottery ticket T-111114 on June 16, 2006, and received a discount offer of 10%, but he did not accept the offer as indicated by the "No" entry in field 718. Lastly, as shown in row R700-N, the winning lottery ticket T-222111 has an associated payout value of $100.00, and a discount value is not applicable. This winning lottery ticket is still outstanding (e.g., the ticket has been sold to a player, but the player has not yet redeemed this lottery ticket).

8. Alternate and Additional Embodiments

A customer may bring at least one losing lottery ticket, or identifying information relating to at least one losing lottery ticket, to a non-local lottery retailer or lottery operator for a discount. In this case, that lottery retailer or operator may verify the authenticity of the losing lottery ticket and provide a discount voucher to the customer for redeeming the losing lottery ticket, or for providing the losing lottery ticket information. For example, the discount voucher may be printed out and handed to the customer or may be electronically transmitted to a customer's email address, and such a voucher may be used to purchase at least one new lottery ticket from a lottery retailer.

In some embodiments, the losing lottery ticket information may be received online. For example, lottery participants may register the information of a losing ticket
on a website. In some embodiments, the losing lottery information or losing lottery tickets may be mailed to a lottery operator or lottery retailer, and in some cases losing tickets may be redeemed in bulk. For example, quantities of 50 or more losing lottery entries can be mailed to a central ticket processing location, and a discount redemption certificate or coupon may be mailed back to the player. Such operation would minimize increasing lines at cashier stations at lottery retailer locations. In some embodiments, the discount voucher may be provided electronically to the customer, and or the customer may be provided with a printable voucher online. For example, the customer may be provided a link to an online voucher that can then be printed out and redeemed for a discount towards the purchase of a new lottery ticket (or to an item). In some cases, a discount voucher may be mailed to the customer. For example, the customer is sent, via the U.S. Postal Service, a physical voucher that can be redeemed for a discount towards the purchase of a new lottery ticket. In some embodiments, a lottery retailer may sell the customer a discounted, new lottery ticket at a later date, upon customer redemption of the discount voucher.

A discount voucher may have an expiration date or time limit associated with redemption on it. For example, the discount voucher may include text such as: "Redeem this discount voucher by March 8th, 2007 for an additional 10% off your next lottery ticket purchase."

Methods for providing a discount for non-local receipt of losing lottery tickets are beneficial to lottery retailers because such operation reduces long waits in lines at the lottery retailers, by eliminating local verification of the losing lottery entries. In addition, such operation saves customer time, as customers with eligible losing lottery entries are not required to wait on potentially long lines during the verification process. For example, if a customer mails in 50 eligible losing lottery tickets, that customer (and other customers who may be waiting in line at a cashier to pay for retail items) does not have to wait as the lottery retailer scans and verifies each of the 50 losing lottery tickets. Instead, the customer simply receives one voucher representing a discount received from redemption of all of the 50 losing tickets.

In some embodiments, a customer who provides a lottery retailer with a valid losing lottery ticket may receive a voucher in lieu of making an immediate purchase of a
new lottery ticket. This voucher may be redeemable at a later time, for a discount off the purchase price of a new lottery ticket. The voucher may have a time limit restriction on redemption associated with it (for example, the voucher is only good for only 2 weeks from the original verification date of the losing lottery ticket). Such operation may be preferred by some customers who prefer to make a new lottery ticket purchase later, but within two weeks, with the expectation that the jackpot will grow and thus be greater at that time.

In some embodiments, a discount towards the purchase of a new lottery ticket may be offered to a customer who redeems any lottery ticket at a lottery retailer. Such a discount may also available to customers who redeem winning lottery tickets at the lottery retailer.

In some embodiments, the discount may be funded through the surrender of the retailers’ sales commission on the return visit sale (i.e., the customer’s second visit). Normally, a retailer would receive anywhere from e.g. $0.02 - $0.05 for selling a lottery ticket, but upon receipt of a losing lottery ticket, the retailer forgoes his commission on a new lottery ticket in exchange for the customer revisit.

In some embodiments, a lottery retailer may fund the discounts offered to customers for redeeming losing lottery tickets. For example, the lottery retailer may fund a discount by forgoing the sales commission on a new lottery ticket, and thus a losing lottery ticket may need to be redeemed prior to receiving the discount. For example, a lottery retailer forgoes his commission and sells the new lottery ticket at a discounted price that may be a standard lottery ticket price minus all or some of the lottery retailer's sales commission.

In some embodiments, a lottery retailer may fund the discount provided to a customer for redeeming a losing lottery entry through profit attained on one or more high-margin store items. A lottery retailer may choose to divert some or all of the profit from the sale of such an in-store item, and apply it to the purchase of a new lottery ticket. In such cases, a lottery ticket may need to be redeemed prior to receiving the discount. For example, a customer intends to purchase a new lottery ticket and a 40-ounce beverage from a lottery retailer location. The customer brings the beverage and a losing lottery ticket to the retailer's check-out clerk and announces his intention of also
purchasing a new lottery ticket. The clerk checks a list of items and sees that the purchase of the 40-ounce beverage, along with the valid losing lottery ticket entitle the customer to a 10 cent discount on the new lottery ticket.

It should be noted that the above examples are non-limiting, illustrative descriptions only, and have been included herein for the sake of clarity to demonstrate how processes according to some embodiments could be utilized with regard to several example lottery games.

The present methods and apparatus presented herein provide numerous benefits to players and / or customers, lottery retailers and to lottery operators. In particular, customers (i.e., lottery players) are provided with the ability to obtain discounts on future lottery ticket purchases or purchases of products or services for redeeming their eligible losing lottery entries. With an improvement in overall lottery redemptions, lottery operators will be able to advertise that their lottery games are environmentally friendly, and in some cases a lottery game may also benefit from higher total payouts and / or prize tallies (e.g., "to date, the New York State Lottery has awarded $X million in prizes to players"). Lottery retailers also benefit from increased customer visits and resultant incremental sales opportunities. The resulting increase in foot traffic and / or redemption frequency may also translate or correspond to an increase in the frequency with which players elect to play lottery games.

9. Rules of Interpretation

Numerous embodiments have been described, and are presented for illustrative purposes only. The described embodiments are not intended to be limiting in any sense. The invention is widely applicable to numerous embodiments, as is readily apparent from the disclosure herein. These embodiments are described in sufficient detail to enable those skilled in the art to practice the invention, and it is to be understood that other embodiments may be utilized and that structural, logical, software, electrical and other changes may be made without departing from the scope of the present invention. Accordingly, those skilled in the art will recognize that the present invention may be practiced with various modifications and alterations. Although particular features of the present invention may be described with reference to one or more particular embodiments
or figures that form a part of the present disclosure, and in which are shown, by way of
illustration, specific embodiments of the invention, it should be understood that such
features are not limited to usage in the one or more particular embodiments or figures
with reference to which they are described. The present disclosure is thus neither a literal
description of all embodiments of the invention nor a listing of features of the invention
that must be present in all embodiments.

The terms "an embodiment", "embodiment", "embodiments", "the embodiment", "the
embodiments", "an embodiment", "some embodiments", "an example embodiment",
"at least one embodiment", "one or more embodiments" and "one embodiment" mean
"one or more (but not necessarily all) embodiments of the present invention(s)" unless
expressly specified otherwise. The terms "including", "comprising" and variations
thereof mean "including but not limited to", unless expressly specified otherwise.

The term "consisting of" and variations thereof mean "including and limited to",
unless expressly specified otherwise.

The enumerated listing of items does not imply that any or all of the items are
mutually exclusive. The enumerated listing of items does not imply that any or all of the
items are collectively exhaustive of anything, unless expressly specified otherwise. The
enumerated listing of items does not imply that the items are ordered in any manner
according to the order in which they are enumerated.

The term "comprising at least one of" followed by a listing of items does not
imply that a component or subcomponent from each item in the list is required. Rather, it
means that one or more of the items listed may comprise the item specified. For
example, if it is said "wherein A comprises at least one of: a, b and c" it is meant that (i)
A may comprise a, (ii) A may comprise b, (iii) A may comprise c, (iv) A may comprise a
and b, (v) A may comprise a and c, (vi) A may comprise b and c, or (vii) A may comprise
a, b and c.

The terms "a", "an" and "the" mean "one or more", unless expressly specified
otherwise.

The term "based on" means "based at least on", unless expressly specified
otherwise.
The methods described herein (regardless of whether they are referred to as methods, processes, algorithms, calculations, and the like) inherently include one or more steps. Therefore, all references to a "step" or "steps" of such a method have antecedent basis in the mere recitation of the term 'method' or a like term. Accordingly, any reference in a claim to a 'step' or 'steps' of a method is deemed to have sufficient antecedent basis.

Headings of sections provided in this document and the title are for convenience only, and are not to be taken as limiting the disclosure in any way.

Devices that are in communication with each other need not be in continuous communication with each other, unless expressly specified otherwise. In addition, devices that are in communication with each other may communicate directly or indirectly through one or more intermediaries.

A description of an embodiment with several components in communication with each other does not imply that all such components are required, or that each of the disclosed components must communicate with every other component. On the contrary a variety of optional components are described to illustrate the wide variety of possible embodiments of the present invention.

Further, although process steps, method steps, algorithms or the like may be described in a sequential order, such processes, methods and algorithms may be configured to work in alternate orders. In other words, any sequence or order of steps that may be described in this document does not, in and of itself, indicate a requirement that the steps be performed in that order. The steps of processes described herein may be performed in any order that is practical. Further, some steps may be performed simultaneously despite being described or implied as occurring non-simultaneously (e.g., because one step is described after the other step). Moreover, the illustration of a process by its depiction in a drawing does not imply that the illustrated process is exclusive of other variations and modifications thereto, does not imply that the illustrated process or any of its steps are necessary to the invention, and does not imply that the illustrated process is preferred.

It will be readily apparent that the various methods and algorithms described herein may be implemented by, e.g., appropriately programmed general purpose
computers and computing devices. Typically a processor (e.g., a microprocessor or controller device) will receive instructions from a memory or like storage device, and execute those instructions, thereby performing a process defined by those instructions. Further, programs that implement such methods and algorithms may be stored and transmitted using a variety of known media.

When a single device or article is described herein, it will be readily apparent that more than one device / article (whether or not they cooperate) may be used in place of a single device / article. Similarly, where more than one device or article is described herein (whether or not they cooperate), it will be readily apparent that a single device / article may be used in place of the more than one device or article.

The functionality and / or the features of a device may be alternatively embodied by one or more other devices which are not explicitly described as having such functionality / features. Thus, other embodiments of the present invention need not include the device itself.

The term "computer-readable medium" as used herein refers to any medium that participates in providing data (e.g., instructions) that may be read by a computer, a processor or a like device. Such a medium may take many forms, including but not limited to, non-volatile media, volatile media, and transmission media. Non-volatile media include, for example, optical or magnetic disks and other persistent memory. Volatile media may include dynamic random access memory (DRAM), which typically constitutes the main memory. Transmission media may include coaxial cables, copper wire and fiber optics, including the wires or other pathways that comprise a system bus coupled to the processor. Transmission media may include or convey acoustic waves, light waves and electromagnetic emissions, such as those generated during radio frequency (RF) and infrared (IR) data communications. Common forms of computer-readable media include, for example, a floppy disk, a flexible disk, hard disk, magnetic tape, any other magnetic medium, a CD-ROM, DVD, any other optical medium, punch cards, paper tape, any other physical medium with patterns of holes, a RAM, a PROM, an EPROM, a FLASH-EEPROM, any other memory chip or cartridge, a carrier wave as described hereinafter, or any other medium from which a computer can read.
Various forms of computer readable media may be involved in carrying sequences of instructions to a processor. For example, sequences of instruction (i) may be delivered from RAM to a processor, (ii) may be carried over a wireless transmission medium, and / or (iii) may be formatted according to numerous formats, standards or protocols, such as Transmission Control Protocol, Internet Protocol (TCP/IP), Wi-Fi, Bluetooth, TDMA, CDMA, Wi-MAX and 3G.

Where databases are described, it will be understood by one of ordinary skill in the art that (i) alternative database structures to those described may be readily employed, and (ii) other memory structures besides databases may be readily employed. Any schematic illustrations and accompanying descriptions of any sample databases presented herein are illustrative arrangements for stored representations of information. Any number of other arrangements may be employed besides those suggested by the tables shown. Similarly, any illustrated entries of the databases represent exemplary information only; those skilled in the art will understand that the number and content of the entries can be different from those illustrated herein. Further, despite any depiction of the databases as tables, other formats (including relational databases, object-based models and / or distributed databases) could be used to store and manipulate the data types described herein. Likewise, object methods or behaviors of a database can be used to implement the processes of the present invention. In addition, the databases may, in a known manner, be stored locally or remotely from a device that accesses data in such a database.

It should also be understood that, to the extent that any term recited in the claims is referred to elsewhere in this document in a manner consistent with a single meaning, that is done for the sake of clarity only, and it is not intended that any such term be so restricted, by implication or otherwise, to that single meaning. Finally, unless a claim element is defined by reciting the word "means" and a function without reciting any structure, it is not intended that the scope of any claim element be interpreted based on the application of 35 U.S.C. § 112, sixth paragraph.

Although the present invention has been described with respect to preferred embodiments thereof, those skilled in the art will note that various substitutions and
modifications may be made to those embodiments described herein without departing from the spirit and scope of the present invention.
What is claimed is:

1. A method, comprising:
   - receiving a redemption request for a lottery ticket associated with a lottery game;
   - determining that the lottery ticket includes at least one valid losing lottery entry;
   - determining a discount amount to offer, wherein the discount amount is based on at least one discount eligibility factor associated with the lottery game; and
   - offering the discount amount to a customer.

2. The method of claim 1, in which determining that the lottery ticket includes at least one valid losing lottery entry comprises:
   - receiving a lottery entry identifier;
   - matching the lottery entry identifier to stored lottery ticket data; and
   - validating the losing lottery entry if the lottery entry identifier matches stored lottery ticket data associated with a losing lottery entry.

3. The method of claim 1, further comprising, in response to determining that the lottery ticket includes at least one valid losing lottery entry, determining a discount amount.

4. The method of claim 1, in which determining that the lottery ticket includes at least one valid losing lottery entry comprises determining a discount amount.

5. The method of claim 1, in which determining the discount amount comprises:
   - determining a start date associated with the lottery game; and
   - selecting the discount amount based on the difference between the start date and a date of redemption of the valid losing lottery entry.

6. The method of claim 5, wherein the start date comprises at least one of a purchase date of the lottery ticket and a lottery drawing date.
7. The method of claim 1, wherein the at least one discount eligibility factor comprises at least one of a random number, a predetermined time of day, a redemption location, a purchase location, a predetermined day of the week, or metrics of lottery game play.

8. The method of claim 1, wherein the at least one discount eligibility factor comprises at least one of a number of losing lottery entries associated with the lottery game, or an indication of successive lottery game play.

9. The method of claim 1, in which offering the discount amount further comprises requiring that the discount amount be applied to a purchase of a new lottery ticket.

10. The method of claim 1, in which offering the discount amount further comprises requiring that the discount amount be applied to a purchase of a product.

11. The method of claim 1, further comprising updating stored lottery ticket data to include an indication of at least one of the discount amount offered, a time of lottery ticket redemption, or whether the customer used the discount amount.

12. The method of claim 1, further comprising receiving an indication that the customer accepted the discount amount.

13. The method of claim 12, wherein the indication comprises an indication that the customer purchased at least one of a new lottery ticket for a reduced price, or a good for a reduced price.

14. The method of claim 1, further comprising updating stored lottery ticket data to indicate that the at least one losing entry was redeemed.
15. The method of claim 1, further comprising preventing reuse of the losing lottery entry.

16. The method of claim 15, in which preventing reuse of the losing lottery entry comprises at least one of destroying the lottery ticket, or providing an indication in a lottery ticket database that the at least one losing lottery entry has been redeemed.

17. The method of claim 1, further comprising providing the discount amount to the customer.

18. The method of claim 17, in which providing the discount amount comprises providing a voucher for use by the customer.

19. The method of claim 18, wherein the voucher comprises at least one of terms and conditions, a face value, and an expiration date.

20. The method of claim 1, wherein the lottery game corresponds to a first lottery game, and in which offering the discount amount to the customer comprises offering the customer a reduced price with regard to a purchase price of a second lottery ticket associated with a second lottery game.

21. The method of claim 20, wherein the first lottery game corresponds to an online-type lottery game and the second lottery game corresponds to an instant-type lottery game.

22. The method of claim 20, wherein the first lottery game comprises a first instance of a particular game and the second lottery game comprises a second instance of the particular game.
23. A computer readable medium storing instructions configured to direct a processor to:
   receive a redemption request for a lottery ticket associated with a lottery game;
   determine that the lottery ticket includes at least one valid losing lottery entry;
   determine a discount amount to offer, wherein the discount amount is based on at least one discount eligibility factor associated with the lottery game; and
   offer the discount amount to a customer.

24. The computer readable medium of claim 23, in which the instructions for determining that the lottery ticket includes at least one valid losing lottery entry comprise instructions configured to direct the processor to:
   receive a lottery entry identifier;
   match the lottery entry identifier to stored lottery ticket data; and
   validate the losing lottery entry if the lottery entry identifier matches stored lottery ticket data associated with a losing lottery entry.

25. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to, in response to determining that the lottery ticket includes at least one valid losing lottery entry, determine a discount amount.

26. The computer readable medium of claim 23, in which the instructions for determining that the lottery ticket includes at least one valid losing lottery entry comprise instructions configured to direct the processor to determine a discount amount.

27. The computer readable medium of claim 23, in which the instructions for determining the discount amount comprise instructions configured to direct the processor to:
   determine a start date associated with the lottery game; and
   select the discount amount based on the difference between the start date and a date of redemption of the valid losing lottery entry.
28. The computer readable medium of claim 27, in which the instructions for determining a start date comprise instructions configured to direct the processor to select at least one of a purchase date of the lottery ticket and a lottery drawing date.

29. The computer readable medium of claim 23, in which the instructions for determining a discount amount to offer based on at least one eligibility factor comprise instructions configured to base the discount amount on at least one of a random number, a predetermined time of day, a redemption location, a purchase location, a predetermined day of the week, or metrics of lottery game play.

30. The computer readable medium of claim 23, in which the instructions for determining a discount amount to offer based on at least one eligibility factor comprise instructions configured to base the discount amount on at least one of a number of losing lottery entries associated with the lottery game, or an indication of successive lottery game play.

31. The computer readable medium of claim 23, in which the instructions for offering the discount amount comprise instructions configured to direct the processor to require that the discount amount be applied to a purchase of a new lottery ticket.

32. The computer readable medium of claim 23, in which the instructions for offering the discount amount comprise instructions configured to direct the processor to require that the discount amount be applied to a purchase of a product.

33. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to update stored lottery ticket data to include an indication of at least one of the discount amount offered, a time of lottery ticket redemption, or whether the customer used the discount amount.
34. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to receive an indication that the customer accepted the discount amount.

35. The computer readable medium of claim 34, in which the instructions for receiving an indication that the customer accepted the discount amount comprises instructions configured to direct the processor to receive an indication that the customer purchased at least one of a new lottery ticket for a reduced price, or a good for a reduced price.

36. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to update stored lottery ticket data to indicate that the at least one losing entry was redeemed.

37. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to prevent reuse of the losing lottery entry.

38. The computer readable medium of claim 37, in which the instructions for preventing reuse of the losing lottery entry comprise instructions configured to direct the processor to at least one of receive an indication that the lottery ticket has been destroyed, or transmit data for storing in a lottery ticket database that indicates that the at least one losing lottery entry has been redeemed.

39. The computer readable medium of claim 23, which further comprises instructions configured to direct the processor to provide the discount amount to the customer.

40. The computer readable medium of claim 39, in which the instructions for providing the discount amount to the customer comprise instructions configured to direct the processor to transmit data for creating a voucher.
41. The computer readable medium of claim 23, in which the instructions for offering the discount amount comprise instructions configured to direct the processor to transmit an offer for a reduced price with regard to a purchase price of a second lottery ticket associated with a second lottery game that is different from a first lottery game.

42. An apparatus, comprising:
   a processor;
   a communication port operatively coupled to the processor; and
   a data storage device operatively coupled to the processor and containing instructions configured to direct the processor to:
      receive a redemption request for a lottery ticket associated with a lottery game;
      determine that the lottery ticket includes at least one valid losing lottery entry;
      determine a discount amount to offer, wherein the discount amount is based on at least one discount eligibility factor associated with the lottery game; and
      offer the discount amount to a customer.

43. The apparatus of claim 42, wherein the data storage device further comprises at least one of a lottery games database, a lottery ticket database, or a redemption status database.

44. A method, comprising:
   receiving a request from a lottery retailer to validate a losing lottery entry, the request including at least one lottery ticket identifier;
   comparing the lottery ticket identifier to stored lottery ticket data;
   determining, if the lottery ticket identifier matches the stored lottery ticket data, a discount amount; and
   providing an indication of the discount amount to the lottery retailer.
45. The method of claim 44, further comprising receiving an indication that an offer associated with the discount amount was made to a player.

46. The method of claim 45, further comprising receiving at least one of an indication that the player rejected the offer, or an indication that the player accepted the offer.

47. The method of claim 45, wherein the offer associated with the discount amount comprises at least one of a reduced price towards the purchase of a new lottery ticket, a reduced price towards the purchase of a good, or a reduced price towards the purchase of a service.

48. The method of claim 44, in which determining the discount amount comprises basing the discount amount on at least one eligibility factor.

49. The method of claim 48, wherein the at least one eligibility factor comprises at least one of a random number, a predetermined time of day, a redemption location, a purchase location, a predetermined day of the week, or metrics of lottery game play.

50. The method of claim 48, wherein the at least one eligibility factor comprises at least one of a number of losing lottery entries associated with a lottery game, or an indication of successive lottery game play.

51. The method of claim 44, further comprising updating the stored lottery ticket data to indicate at least one of a date the losing lottery entry was redeemed, the determined discount amount, and an indication of whether a customer accepted an offer to use the discount amount.
52. A computer readable medium storing instructions configured to direct a processor to:
   receive a request from a lottery retailer to validate a losing lottery entry, the request including at least one lottery ticket identifier;
   compare the lottery ticket identifier to stored lottery ticket data;
   determine, if the lottery ticket identifier matches the stored lottery ticket data, a discount amount; and
   provide an indication of the discount amount to the lottery retailer.

53. The computer readable medium of claim 52, which further comprises instructions configured to direct the processor to receive an indication that an offer associated with the discount amount was made to a player.

54. The computer readable medium of claim 53, which further comprises instructions configured to direct the processor to receive at least one of an indication that the player rejected the offer or an indication that the player accepted the offer.

55. The computer readable medium of claim 53, in which the instructions for receiving an indication that an offer was made comprises instructions configured to direct the processor to receive an indication that the player was offered at least one of a reduced price towards the purchase of a new lottery ticket, a reduced price towards the purchase of a good, or a reduced price towards the purchase of a service.

56. The computer readable medium of claim 52, in which the instructions for determining the discount amount comprise instructions configured to direct the processor to base the discount amount on at least one eligibility factor.
57. The computer readable medium of claim 56, in which the instructions for determining a discount amount based on at least one eligibility factor comprise instructions configured to direct the processor to base the discount amount on at least one of a random number, a predetermined time of day, a redemption location, a purchase location, a predetermined day of the week, or metrics of lottery game play.

58. The computer readable medium of claim 56, in which the instructions for determining a discount amount based on at least one eligibility factor comprise instructions configured to direct the processor to base the discount amount on at least one of a number of losing lottery entries associated with the lottery game, or an indication of successive lottery game play.

59. The computer readable medium of claim 52, which further comprises instructions configured to direct the processor to update the stored lottery ticket data to indicate at least one of a date the losing lottery entry was redeemed, the determined discount amount, or an indication of whether a customer accepted an offer to use the discount amount.

60. An apparatus, comprising:
   a processor;
   a communication port operatively coupled to the processor; and
   a data storage device operatively coupled to the processor and containing instructions configured to direct the processor to:
   - receive a request from a lottery retailer to validate a losing lottery entry, the request including at least one lottery ticket identifier;
   - compare the lottery ticket identifier to stored lottery ticket data;
   - determine, if the lottery ticket identifier matches the stored lottery ticket data, a discount amount; and
   - provide an indication of the discount amount to the lottery retailer.
61. The apparatus of claim 60, wherein the data storage device further comprises at least one of a lottery games database, a lottery ticket database, or a redemption status database.
LOTTERY TICKET INCLUDES A VALID LOSING LOTTERY ENTRY?

IS THE CUSTOMER ELIGIBLE FOR A DISCOUNT?

REPORT REDEMPTION OF LOSING LOTTERY TICKET

DETERMINE DISCOUNT

OFFER DISCOUNT TO BE APPLIED TO THE PURCHASE OF A NEW LOTTERY TICKET

PREVENT REUSE OF LOSING LOTTERY TICKET

END

FIG. 4
DETERMINE DATE OF PURCHASE OF LOSING LOTTERY TICKET

DETERMINE DURATION VALUE

IS DURATION VALUE GREATER THAN A FIRST PREDETERMINED VALUE?

YES

PROVIDE PREMIUM DISCOUNT OFFER

NO

NO DURATION VALUE GREATER THAN A SECOND PREDETERMINED VALUE?

YES

PROVIDE SECONDARY DISCOUNT OFFER

NO DISCOUNT OFFER AVAILABLE

FIG. 5
<table>
<thead>
<tr>
<th>TICKET / ENTRY IDENTIFIER</th>
<th>TICKET / ENTRY INDICIA 1</th>
<th>TICKET / ENTRY INDICIA 2</th>
<th>TICKET / ENTRY INDICIA N</th>
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<td>23</td>
<td>28</td>
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<td>22</td>
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<td>13</td>
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**GAME IDENTIFIER:** GM-001

**GAME INSTANCE IDENTIFIER:** GM_D001_06/01/08; 10:00 PM

**PREMIUM DISCOUNT:** REDEEM BY 06/03/08; DISCOUNT = 20%

**SECONDARY DISCOUNT:** REDEEM BETWEEN 06/04/08 AND 06/14/08; DISCOUNT = 10%

**EXPIRATION DATE:** 06/01/09

**FIG. 6A**
**FIG. 6B**

<table>
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<tr>
<th>TICKET IDENTIFIER</th>
<th>PAYOUT / PRIZE</th>
<th>TIME OF PURCHASE</th>
<th>TIME OF REDEMPTION</th>
<th>DISCOUNT</th>
<th>NEW TICKET PURCHASE</th>
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<td>R650-1</td>
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<td>05/02/06</td>
<td>20%</td>
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<tr>
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<td>I-555442</td>
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<td>–</td>
<td>–</td>
<td>–</td>
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<tr>
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<td>I-555443</td>
<td>$50.00</td>
<td>05/10/06</td>
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<td>AVAILABLE DISCOUNT VALUE</td>
<td>REDEMPTION STATUS</td>
<td>DISCOUNT OFFER</td>
<td>DISCOUNT ACCEPTED</td>
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<td>N/A</td>
<td>OUTSTANDING</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FIG. 7