CASE STUDY:
MOOSE JAW WARRIORS

404%
increase in revenue!
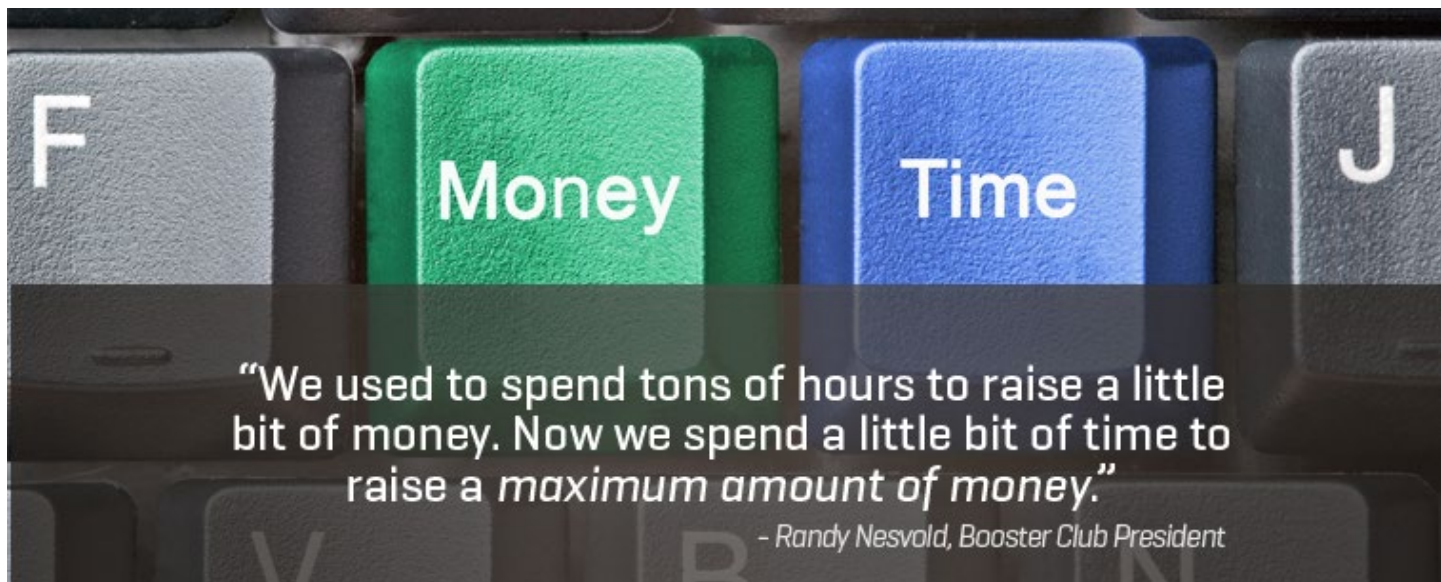
WAR DRUMS

Rivals beware when a proud community bands together and backs their boys on the ice

Warrior Pride

	Total Raised ($)	Per Game Sales ($)
PAPER – 3 year average for revenue per year		
ELECTRONIC – 3 year average for revenue per year		

Total Revenue Raised

Average Revenue Per Game

Last year at the "Crushed Can"

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
		(PAPER)				
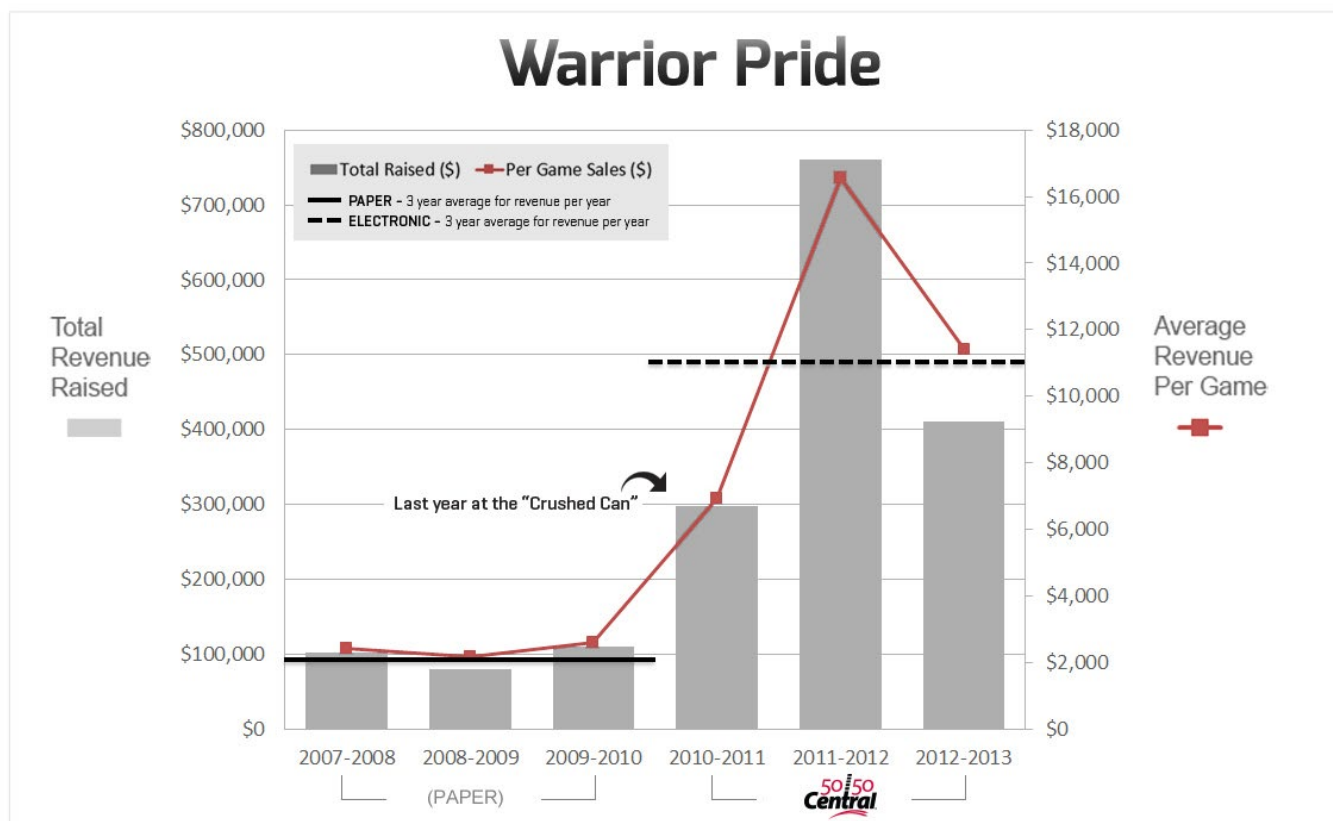
KEY RESULTS

- Warriors recovered their investment in 5050 Central within *first year* of operation
- More effective fundraising tool allowed a community-backed team to keep ticket prices reasonable for local, loyal fans
- Averaged $3.27 per person in raffle sales per game (with upwards of $6.00 per person realized during peak games)
- Gained triple digits on all key metrics:
  - Total raffle revenues *increased by 404%*
  - Per game average *increased by 384%*
  - Per person average *increased by 212%*
- Improved efficiency while gaining new capabilities and 'unexpected benefits':
  - Gained an extra 18 minutes of 'critical selling time' during last minute frenzy
  - Saved 108 man-hours each year by eliminating manually intensive 'staple parties'
  - Saved 72% on printed ticket expenses (saving $2,900 per year)
  - Eliminated the regulator requirement to store used and unused printed tickets
  - Easier to expand raffle fundraising to other events (curling, figure skating, etc)
  - Increased in-game excitement while connecting offsite fans to live jackpot through a branded mobile app
  - Powerful reports helped satisfy the demands of regulators while helping to optimize raffle sales
  - Gave team sponsors more exposure through digital advertising opportunities

THE 'SHIRLEY TEST'

It was game night and **Corey Nyhagen** paced anxiously around the concourse of 'The Crushed Can', checking in on the Booster Club volunteers. It was the Moose Jaw Warriors' last season at the Civic Centre, but their first season using a brand new method of fundraising: an electronic raffle instead of their traditional paper-based raffle. Before moving into the new Mosaic Place for next season, Corey, Director of Business Operations for the Warriors, wanted to give his elderly Booster Club volunteers a chance to ease into the new technology.

Corey was on his way to check in on one of his favourite volunteers, Shirley Wagner. At the ripe age of 82, Shirley is a long-time Warriors supporter; known to go shopping and make hearty game-day breakfasts for the boys on the team. And she was also known to never sugarcoat the truth. Rounding the corner, Corey was bracing himself for an earful from Shirley about the difficulties of the newfangled raffling technology.

"Corey!" yelled Shirley as she spotted him, holding up her wireless handheld ticket printer, "This is slick as s#%@!!!"

LOCAL PRIDE

The team behind the team: *While the methods change, the intent of the dedicated Moose Jaw Warriors Booster Club volunteers remain the same: Support the boys on the ice.*

The city of Moose Jaw is intensely proud of their Warriors.

A scrappy Western Hockey League team, the Warriors have a history of punching above their weight class and has produced some NHL greats, such as **Ryan Smith**, **Theoren Fleury** and **Brooks Laich**. One of the few teams in the WHL that is community-owned, the Warriors went from a small market team in the old Civic Centre to a mid-market team currently playing out of the new Mosaic Place. The proceeds from the Warriors 50/50 raffle help to keep the club local, viable and competitive. Everyone in the community chips in to help the club succeed.

"Our raffle operations are driven by our passionate volunteers, whom I can't thank enough" said Corey, "Some have been volunteering for the team for 30 years or more. They've sweated and bled and worked their tails off. The methods may change, but the intent stays the same. They want to help the boys on the team. They want to keep the team in Moose Jaw. You simply can't replace that kind of heart, that passion."

Born and raised in Moose Jaw, Corey had recently moved back to his hometown and was looking to settle down and make his mark. Landing a dream job with the Warriors, one of his early initiatives was leading the implementation of 5050 Central; an underlined raffling system.

WHEN THE GOING GETS TOUGH

In recent years the costs of running a competitive junior hockey club, such as travel, board, staff, equipment, etc., have been steadily creeping up. To keep pace with rising costs and keep the club viable, the not-for-profit Warriors essentially faced two choices: Raise ticket prices or fundraise more dollars.

In the end, the Warriors opted for the fan-friendly, though more difficult, path of increasing their fundraising dollars through their booster club. In another bold move, they were amongst the first in the sports industry to try a cutting-edge method of fundraising - a computerized version of the traditional paper 50/50 raffle ticket. When the Warriors started using the system in 2010, 5050 Central was a brand new, yet-to-be-proven technology; not the market leader that it is today. The risk paid off immediately.

"The board and myself were originally hoping for a payback on our investment within two years" said Corey, "But we ended up recouping our costs in the first year and then some."

Credit for this success partially lies in the community pride and passion surrounding the team. As a community-owned entity, the team's shareholders are everyday folks in this town of 33,000; from bankers to dentists to farmers. It was no secret that the funds raised from the 50/50 draw on game nights went to help support their beloved team.

"Before 5050 Central, when we used regular 50/50 paper tickets, we took home on average $900 per game" adds Corey, "With 5050 Central, we tripled our take-home to about $2000 per game. Same building. Same attendance. Same everything, except we tripled our return."

EARLY ADOPTION PAYS OFF

MAXIMIZING EFFORTS
Average Sales Per Person

In the bowels of Mosaic Place on game nights, you will find **Randy Nesvold**, President of the Warriors' Booster Club, performing the fundraising equivalent of shoveling coal into a steam engine boiler.

Even with 5050 Central's cutting-edge automation and <u>certified technology</u>, any fundraising technology still needs real people to make sure the machine hums along at optimal performance. Randy is the guy who's making sure the Warriors' key fundraising tool is operating smoothly and the volunteers have what they need and know what they need to do.

Randy and Corey teamed up to convince the Warriors' leadership that this nascent technology - then called '5050 Central', now called '5050 Central' - was worth the investment.

"It's a case where you've got to be careful what you wish for" jokes Randy, "With my background in IT, my involvement has increased dramatically. I've become the go-to guy for supporting the raffle system on game days. But the results make it all worthwhile."

Being an early adopter of electronic raffling has paid off for the Warriors, bringing both big payoffs and growing pains.

"We went from small time fundraising of a few hundred dollars here and there, to raising almost two hundred grand last season" said Randy, "Anything over $100K per year raised in Saskatchewan gets you the attention of the Saskatchewan Liquor and Gaming Authority. This means that we have to satisfy regulatory requirements. The Booster Club's raffle revenues have come to rival other revenue streams on the Warriors' income statement. That means we've become critical in keeping the ship afloat."

HIDDEN HEROES

Randy is quick to make it clear it's not one or two guys who made all this success happen: "It's a 'we' success story, not an 'I'."

Randy echoes Corey's appreciation for the dedicated volunteers who have worked tirelessly to support the team and help keep it in Moose Jaw. A lot of the heavy lifting was done in the days before electronic raffling made big jackpots accessible to junior hockey clubs; when volunteers would fundraise at the local mall or hold small raffles of only a few hundred dollars.

"Without question, the only reason we're having this conversation today is because of the hard work and countless hours those volunteers did back then" said Randy, "They're the hidden heroes behind the scenes; the team behind the team".

"We used to spend tons of hours to raise a little bit of money" concludes Randy, "Now [with electronic raffling] we spend a little bit of time to raise a maximum amount of money."

NOT AS FUN AS IT SOUNDS

"We used to spend about $4,000 per year to print up 200,000 paper raffle tickets that we estimated we'd need for the whole season" said Randy, "Then we used to hold what we called 'Staple Parties', which aren't as fun as they sound. We'd get eight to ten volunteers together and we'd have to take those 200,000 tickets and staple them into 20,000 booklets of 10 tickets each. Also, because we had to change the tickets season to season, any of the 200,000 tickets that went unused at the end of the season had to be simply discarded and put into long-term storage."

5050 Central's computerized raffle platform uses extremely efficient thermal printers to print tickets on demand as opposed to having to stock hundreds of thousands of pre-printed tickets. At the point of sale, one ticket is printed on a ticketseller's hip printer and given to the customer; in the back office, another ticket is automatically printed and dropped into a big barrel.

"Now we spend just over $1,000 per year on thermal paper rolls" adds Randy, "Plus we don't have to store hundreds of thousand of used and unused tickets, which was a regulator requirement under our paper ticket method."

Saving trees, saving money: *Thermal printing paper is more cost effective than traditional pre-printed 50/50 tickets and, because they're printed on demand, you only print what you need when you need it.*

THE HIDDEN ADVANTAGES OF ELECTRONIC RAFFLES
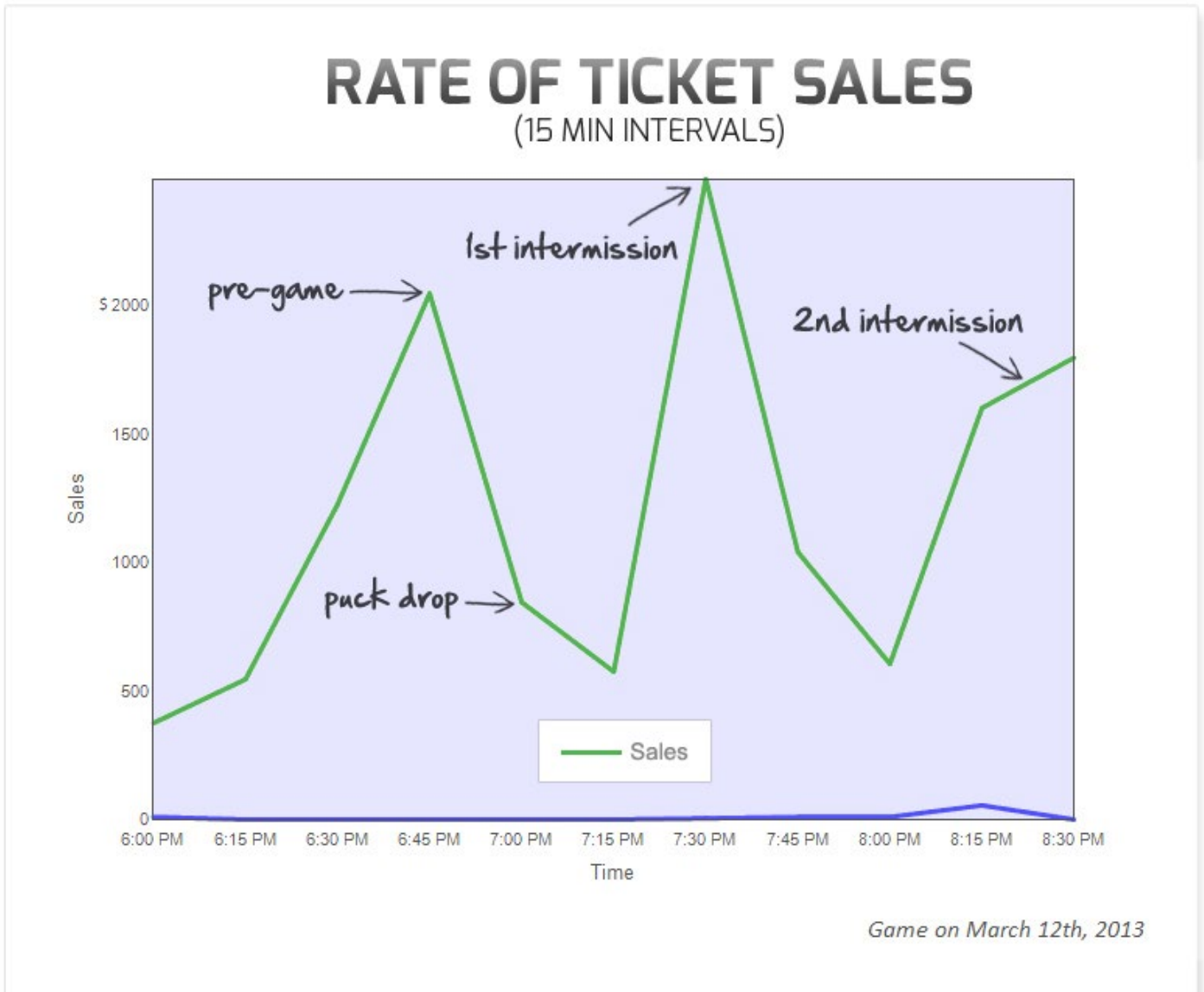
Knowing WHEN to sell: Useful reports within 5050 Central provide key insights into the when, where and how of a team's raffle sales. The above chart told the Warriors that sales surged before the puck drops at 7pm and then peaked again during each intermission; useful information for deploying and instructing ticket sellers.

The obvious advantage of electronic raffling platforms is that they tally up the jackpot in front of big crowds in real-time, triggering more people to buy a ticket as the prize grows in value. This then creates a bigger pot and fuels even more sales. This self-reinforcing cycle is what almost effortlessly leads to dramatically better results for all of 5050 Central's clients, but it's not the only selling point of the platform.

The Warriors' experience with 5050 Central unearthed other benefits not immediately obvious until after they started to use the system, for example:

- **Easy expansion:** The Warriors could easily roll out 50/50 raffles to other events held at the Mosaic Place, such as curling, figure skating competitions, etc., to further maximize their fundraising.
- **Useful reports:** The powerful reporting tools within 5050 Central helped to not only satisfy regulatory requirements but also provided key insights that allowed the Warriors to tweak and optimize their raffle operations.
- **More exposure for sponsors:** The Warriors were able to give their primary sponsor, McDonald's, more bang for their buck by displaying their brand on the printed raffle ticket, on the raffle displays and prominently within the Warriors' mobile app.
- **Random (versus sequential) raffle numbers create more excitement:** Unlike paper tickets where the vast majority of participants know they didn't win once the first digit is read off by the announcer, the random numbers on 5050 Central tickets extends the excitement for more people.
- **Connecting on and off-site fans with the raffle:** The Warriors' mobile app, developed by 5050 Central and their partner Buzzer Apps, allows fans at the game, or those who gave their friends cash to buy raffle tickets, a channel to follow the jackpot and find out the winning ticket number.

Projecting the raffle beyond the rink: *Deep integration with Pointstreak's mobile app partner, Buzzer Apps, allows Warriors' fans to download a free app to their smartphone in order follow the 50/50 draw in real-time. It also creates another opportunity to give team sponsors more bang for their advertising buck.*

WHAT DOES THIS MEAN TO YOU PERSONALLY?

Corey Nyhagen
Director of Business Operations

"We're now able (with 5050 Central) to cover many of the expenses throughout the season that otherwise would have taken many smaller fundraising events to achieve. This allows our Booster Club to focus on one major component of fundraising over a few events as opposed to many varied, smaller initiatives that were only half as effective as electronic raffling is."

Randy Nesvold
Warriors' Booster Club President

"It means we're able to compete with larger centers while keeping ticket prices affordable for our loyal fans. This technology and the dedication of the Warriors Booster Club volunteers - the 'team behind the team' - is why a community owned team can exist and thrive in Moose Jaw!"

THE VALUE OF INTEGRITY

5050 Central was the first vendor to achieve certification in the electronic raffle industry under the Gaming Laboratories International technical standard GLI-31 Electronic Raffle Systems. Unlike non-certified vendors, 5050 Central has been through rigorous tests by a specialized, objective lab and is required to stay compliant with the GLI-31 standard in order to publicly display the Gaming Labs certified mark.

Certification by a 3rd party ensures the security and integrity of 5050 Central's technology; a key factor when considering the potential liability and public relations problems that could arise when dealing with high-profile issues, such as state gaming regulators, a charity's cash flow and your fans' hard earned money. On top of being certified, 5050 Central also provides Error & Omissions insurance as well as legal and regulatory expertise to further mitigate the risk to organizations both financially and professionally.