



**New Jersey Gasoline, C-Store, Automotive Association (NJGCA)**

*(Formerly New Jersey Gasoline Retailers Association)*

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**FOR IMMEDIATE RELEASE**

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**Entrepreneurs cautiously optimistic on NJ Lottery privatization plan**

*News earlier today on privatization brings mixed sentiments;*

*Small businesses support privatization, but remain wary of any future program-changes.*

Sal Risalvato, Executive Director of the New Jersey Gasoline, Convenience, Automotive Association (**NJGCA**), released the following statement regarding today's announcement that a contract to privatize the marketing portion of the State Lottery program has been awarded:

“Only an hour ago, the New Jersey Department of the Treasury announced an agreement has been reached with Northstar New Jersey Lottery Group to privatize elements of the State Lottery program. As residents and revenues continue to be battered by the current national economic climate, it's only appropriate that State officials explore reasonable measures to save taxpayer dollars and income to state coffers”, Risalvato stated.

“We are just learning of the plan, so obviously there hasn't been an opportunity to review the full proposal. I'm positive there will be adequate time to read and comprehend the details in the weeks ahead. Still, today's announcement is being warily received by our members, and for good reason”, said Risalvato. “When our Association testified in Trenton on lottery privatization, they vocally supported the idea, but remained concerned about implementation and possible future changes to the lottery system.”

“Our members support any measure that saves taxpayer dollars and brings in additional revenue for state coffers; but only if executed correctly. These entrepreneurs have helped to make the NJ State Lottery among the most successful in the nation and would

spurn any future plans that would bar them from participating in or diminish the opportunity to serve consumers”, said Risalvato.

“If, for example, Northstar seeks to introduce internet-based lottery sales, it would diminish the foot traffic at retail locations and harm their establishments. Though every location is unique, lottery ticket purchasers represent a significant number of patrons that shop in convenience stores. These customers make supplemental and impulse purchases when patronizing a store --- often buying milk, bread, candy, and sundry items. Though seemingly small, these sales help to keep stores profitable and workers employed. If plans were pursued to harm that paradigm, and deny small business owners the opportunity for profitable sales, then that would be vocally opposed by the entrepreneurs who operate convenience stores, luncheonettes, delis, or gasoline service stations throughout the state”, Risalvato stated.

“The State Treasurer’s Office has stated that Northstar New Jersey will be implementing a range of marketing services to improve the lottery’s profitability. I know all of my members support that endeavor and applaud those efforts, so long as no measures are employed which could reduce customer foot traffic in their shops or hinders their ability to sell lottery tickets to the public”, Risalvato said.

“Nevertheless, while I anticipate new information will quell the fears of my members, the initial details I received from the Treasurer’s Office makes me optimistic that Northstar New Jersey will work cooperatively with the small business community. One detail within the plan will be applauded by shops that sell lottery scratch-off tickets. In the past, merchants who sold scratch-off tickets were not permitted to return any unsold merchandise once a package of tickets was opened. The small business owner would then have to absorb as much as \$300 loss every time a pack of scratch-offs remained unsold. Northstar New Jersey has promised to end that practice and allow entrepreneurs the ability to return unsold tickets, even within an open pack. From the onset, this is very good news, and I hope it sets a tone for how the group will cooperate with small business owners over the next fifteen years”, said Risalvato.

“I remain optimistic and hopeful that the plan announced today will truly benefit state taxpayers, generate revenue for the state, and keep lottery-customers patronizing small businesses throughout New Jersey”, Risalvato concluded.

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