



April 27, 2012

Angela Zgabay-Zgarba
Contracts Administrator
Texas Lottery Commission
P.O. Box 16630
Austin, Texas 78761

RE: Request for Proposal (RFP) for Advertising Services, RFP #362-12-0002

Dear Angela,

In response to your request for clarifications, we would like to provide the following information to TLC for review.

1. *Section 4.1.2 – For the clients listed on pages 51-61, provide the total annual value of each contract, including all fees and pass-through costs (i.e., account fees, media planning/buying costs, production costs, etc.) and provide the begin and end dates for each engagement.*

In a separate PDF (Integer_Clients.pdf) we have provided a chart outlining the information requested for each client listed on pages 51-61 of our RFP response.

Please note, due to Non-Disclosure Agreements with our clients and Sarbanes-Oxley we are not permitted to reveal client-specific spending details but we are able to provide a range for each client's annual spend.

Finally, we have marked our response as Confidential in line with our original RFP that identifies pages 51-61 as confidential client information.

2. *Please provide a detailed explanation of how the media buying/planning is structured.*

Is the media buyer buying for TLC across all DMA's OR buying for limited DMA's for multiple clients, including TLC?

The Integer Group has employed a variety of media planning and buying structures to service accounts. In this instance, the recommended Texas Lottery structure divides the planning and buying responsibilities. The media planners are a part of Integer's media team. The media buyers are members of our proposed HUB partner, Asher Media. They are responsible for buying limited DMAs for multiple clients. This allows them to be market experts familiar with market conditions and nuances that leverage multiple client buys and build deep relationships on behalf of each client.

Continued...

Will media planners also be performing the media buying function?

No, media planners will not be performing the buying function. While we do work this way on other accounts, we do not believe this is the best structure to provide the best value for the Texas Lottery. Integer's media planners align themselves to be intimately knowledgeable with the business objectives, strategy development and creative process. They pride themselves in developing forward thinking, solution based media plans across all touch points. Our media planners also create linkage between earned media (social, PR) and owned media (TLC website, selling trailers, ESMM) to engage and optimize users interactions with the Texas Lottery brand.

Please let us know if you have any further questions or clarifications.

We look forward to hearing from you regarding next steps.

Sincerely,



Ellen Cook
President
The Integer Group

4.1 EXPERIENCE OF PROPOSER

4.1.2

The following is a table to outline details for a variety of clients that have similar or relevant scope to the Texas Lottery RFP including:

- (a) Size of contract.
- (b) Reason for contract termination/expiration, if contract is no longer in effect.
- (c) Types of services directly provided by the Proposer and whether the Proposer was the contractor or subcontractor.
- (d) Term and type of contract, including effective dates.
- (e) Any problems encountered.

Please note, we have not encountered any problems to date with any of our client relationships or contracts.