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Michael Anger

Latin Works Notes—

1. **The Probably Quality of the Offered Goods and Services—**

   8.1 Creative Response. Proposer notes focus on Skeptical Participants and Upscale Dabblers, as they represent 1/3 of player population and ¼ of annual spend, proposer notes gradual increase in their spend over time. Further detailed 8-2 on.

   8.1.4 Minimum Criteria.

   1. Advertising Strategy—Consumer learning focused on "helping and supporting others" related to winning the lottery. Proposer conducted further holiday research—DVD provided. Proposer notes positive focus on the act of giving a gift. Proposer applied 3 areas of learning: Texan Mindset, testimonials about winning the lottery and consumer attitudes with regard to giving resulting in focus on their [redacted] Proposer summarizes Holiday Manifesto p. 8-7.
   2. Media Plan—Overview begins 8-10. Proposer notes its ICM analysis 8-11 and tiered market strategy 8-12 on. Media platform emphasis: TV, Retail, Radio, OOH and Digital in descending order 8-13 on including further media usage details. Proposer digital strategy with emphasis on CyberMonday placements noted on 8-16 and buy/placement strategy on 8-17. Event Marketing Methodology 8-18.
   3. Budget—Budget allocation for Production and by media vehicle detailed on 8-20
   4. Creative—Proposer identified 3 distinct directions:
      - Extend Happiness—
        1. TV/Radio Rawhide music bed concepts with scenes of people sharing and exchanging holiday scratch-offs. Would run the same themed music in all spots across markets including Urban, with special station selection.
        2. Special Tactics (retail)—Proposer recommends pre-packaged holiday scratch gift bundles at different price points, 2nd chance opportunities for discounts through business partnerships at no cost to TLC (8-36).
        3. POS/OOH—proposer notes non-holiday color pallet to break through retail clutter. Joy For Y'All, Share Some Happiness tag (western antique fence background, faded turquois).
        4. Digital—Proposer focus on sing along recordings by players to rawhide music bed, partnerships for free shopping sprees and music downloads are leveraged. Trailers used for recording of videos deployed at retail around the state. Holiday greeting card creation on holiday microsite.

5. Experiential—tie-in with digital using theme song. C-store domination support for retail events.

- You Don't Have to Choose—
    1. TV/Radio—narrator led scenarios of people that play smaller, but important roles in your life (some are a mixture of annoying and pleasant in their interactions with you) that a scratch-off makes the perfect gift for.
    2. Special Tactics (Retail)—Pre-Packaged scratch-off ticket bundles at different prices. 2nd chance promotions.
    3. POS/OOH—Non traditional color palette comments, see above. Make Your List Check It Twice (the perfect gift for everyone. Naughty or Nice), pale, neutral background with snowflake elements. Naughty/Nice product recommendations for in-store elements.
    4. Digital—Facebook, interactive page, "Worth a Bundle, Worth a Buck" friend analyzer (naughty/nice) based on social media, shared likes, events, etc. Want to know which friends are worth a buck or a bundle? TLC will let you know. Proposer notes there are over 12 million Texas Facebook users and recommends a holiday Facebook launch.
    5. Experiential—Naughty or Nice. Texas Holiday Retail Tour. Spinning wheel giveaways, custom promo items(Naughty/Nice items), driving Facebook traffic to "You Don't Have To Choose"
- Small Gestures—(small gestures make a big difference. (Pay It Forward) Call to action campaign: Give. Scratch. Be Merry!)
    1. TV/Radio—Various small gesture gifting scenarios, subdivided into a grid and eventually pixelating. Close with Give. Scratch. Be Merry tag. Radio, Pay It Forward (scratch gifting gesture growing).
    2. Special Tactics Retail—Holiday Scratch Bundles (see above). Co-branding idea with Friday's. Friday's co-branding second chance for ½ off an appetizer (Scratch. Eat. Be Merry)
    3. POS/OOH—(Joy of Giving emphasis). Non-traditional color palette comments (samples red/green). Give. Scratch. Be Jolly/Merry. Retail—Refreshing to give, few steps closer to spreading joy, etc.
    4. Digital—Players can send personalized scratch-off gift messages to their friends/family. Mouse or finger scratch application to reveal messages.

5. Experiential—Mall Blitz Initiative (TLC Pay It Forward). Free Gift wrapping with scratch purchase, C-store gift bundles (coffee, donut, scratch for bundled price).

5. Evaluation of Campaign Effectiveness—emphasis on year-over-year sales analysis to measure effectiveness. Proposer notes sales do not measure brand-building which is important to measure. Proposer emphasizes psychographics measures for this type of analysis. Proposer recommended measures and research strategies detailed 8-132 on. Proposer also notes importance of post flight media plan evaluations.
6. Campaign Guidelines—Proposer confirms understanding.

Creative Assignment-- Proposer did a good job of outlining their strategy and application of their internal approach to the lottery audience and the brand. Proposer determined to focus on two psychographic groups from TLC's Ipsos-Reid research in completing the creative assignment. Summarized in their Holiday Scratch Manifesto on 8-7 and 8-8. Proposer presented 3 creative concepts.

1. Extend Happiness—rawhide themed western jingle offers continuity across campaign. Color palette for print and outdoor executions would stick out during holiday season advertising. Some concerns about rawhide execution resonating with younger demographic.
2. You Don't have to Choose—some of the scripts position the lottery product as gift for somewhat annoying friends or acquaintances was a concern. Print and Outdoor executions were unique and attractive featuring the product. Holiday guide to giving concept was interesting. Buck or a bundle digital execution was interesting conceptually, but touches potential negative campaign tones.
3. Small Gestures—strongest campaign. Simple call to action (Give. Scratch. Be merry.). Proposer recommended this campaign during presentations, visual collage of scenes fading into product image. Print and outdoor executions were product focused and clean. Proposers digital had an interactive sharing element that tied back to the campaign theme. Mobile app is a positive.

Other Creative Considerations--All three concepts were consistent with research conclusions. TGIFriday's concept was interesting cobranding recommendation. Holiday scratch gift bundles were also interesting concept. Outdoor executions were clean with heavy product focus. Digital—creative executions were strong, social networking components and tie back to retail where sales occur. Cyber Monday execution was well thought out for digital. Proposer emphasized both media sensitivities and added value on 8-164. Proposer's emphasis on retailer activation was well reasoned and supported by their media analysis.

General— Proposer will utilize in-house staff to perform GM and EM creative work and will work with Springbox for digital creative efforts. Proposer will perform media planning and buying in-house with exception of Print and OOH buying which will be performed by the Davis Group (Executive summary page 2 at the top). Media strategy team very strong. Proposer demonstrated thorough grasp of

communicating effectively in a majority-minority market during presentations and demonstrated particular strength in its media planning area.

2. **The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities—**

   4.1.3 Proposer notes BK contract canceled in 2010 and consolidated under one GM agency; reasons cited, HEB Grocery contract canceled 2010 (HEB not listed on contracts table on 14) reasons cited, US Cellular 10-year contract ended in 2010; proposer cited eroding chemistry during personnel transitions.

   Reference Surveys—Proposers reference surveys were generally positive with some concern expressed about account services staffing. Survey responses focused on EM work; one responder did not utilize proposer for media buying, no scores provided. Davis Group references positive in all areas.

   General—Proposer has significant experience in working with TLC including execution of several successful campaigns in both the GM and EM markets. Proposer has demonstrated experience working on large major brand accounts primarily for EM work with typically smaller annual billings than TLC. Proposer has demonstrated capabilities as a full service advertising agency. Other considerations—promotions execution, creative work performed and delivery of campaign elements in accordance with timelines, EM messaging effectiveness.

3. **The qualifications of the Proposer's personnel—**

   General—Proposer team is experienced with TLC and in the industry. Proposer's promotions team has significant promotions experience including national brand promotions including successful execution of TLC events. Springbox digital partner staff appear very experienced in digital space. Davis group experience demonstrated. Considerations—direct TLC work experience with many of proposers identified personnel, including account team and media planning team.

4. **The experience of the Proposer in providing the requested goods or services—**

LT--Proposer has provided services to TLC as Ethnic Market (EM) Ad vendor since 2008 acquisition of previous EM ad services vendor, Cultura. Proposer notes understanding of the ethnic consumer as a core competency. Proposer notes being highly respected in the Hispanic space and being set apart

from other agencies by being recognized for their disciplined, strategic and creative approach to brand marketing among all other key consumer constituencies. Proposer highlights their unique view of the market place in recognizing the dramatic changes taking place in the consumer landscape. Proposer notes recent selection by Advertising Age Magazine to it's A-List as one of the top 10 agencies in the US. Proposer notes passion for consumer knowledge at the root of significant investments in proprietary research. Proposer notes the ability to effectively speak to and reach all consumers that make up the State without adding external resources noting that this versatility and alignment will deliver substantial reductions in overall costs to the TLC.

ES--Proposer notes that they are partnering with Springbox, Ltd. For digital space services (detailed in sections 7.1.2 and 8.2). Proposer will also partner with The Davis Group for support of their media team related to Print and OOH responsibilities. Proposer defines multicultural marketing as inclusive of all groups regardless of race, ethnicity or language preference and should open possibilities to better connect with all consumers, not differentiate and divide groups based on their background. Proposer notes recognition of TLCs advertising sensitivities pertaining to not unduly influencing any particular demographic. Proposer notes assembling team with various agency backgrounds and also client backgrounds including Dell, P&G, Reebok and Anheuser-Busch. Proposer notes delivering total market campaigns for Chevrolet, Bud Light and Kleenex among others (see section 8.2). Proposer notes having the highest rated Super Bowl spot in 2007 for Bud Light. Proposer also notes application of its strategic creative approach in creating TLCs recent Holiday campaign (detailed in sections 4.1.1 and 8.1.4(b)). Proposer notes understanding of navigating the sensitivities to effectively, yet responsibly reach TLCs audience. Proposer notes four key guiding principles: Practice Strategic Discipline, Synergy is Essential, Know the Consumer Beyond the Numbers and It's All About the Future.

4.1 Experience. Proposer must state why it believes it has the required experience to provide the goods and services required under the RFP. Proposer must demonstrate its understanding of Texas as a minority-majority state.

4.1.1 Experience of Proposer--Proposer notes producing proprietary research following the release of the first census results in 2011 provided in their DVD of their Texas Study. (4-3) Proposer reports using the deeply rooted beliefs held by all Texans that were identified to speak to them about our product. Proposer contemplates strong Texas pride shared by Texans and possible explanations Size of Texas, Texan nationalism (state flag), celebrated and broad diversity with resistance to expanded diversity (outside influences), and Texans caring for one another. Proposer notes that multicultural marketing is intended to be inclusive and open possibilities, not targeting but connecting with people. Proposer emphasizes communications on a Total Market perspective. Proposer indicates it will apply three phases (1. Point, 2. Lifestyle and Culture and 3. Purchase Journey) to determine the most effective communications plan to engage a particular consumer through their proprietary process Integrated Communications Mapping (ICM). ICM explained beginning p.4-6, proposer notes specific example provide in section 8.1.4. Proposers resulting analysis results in ranking Mobile, In-store

advertising and radio as the top 3 touch points for the lottery consumer, further noting that 4 of the top 10 fall within digital. Proposer provides a four-tiered media market weighting system based on overall sales by market, sales vs. pop. of market and media efficiency. Ethnic Market reach recommendation methodology detailed on 4-9 and 4-10. Proposer emphasizes the importance of Spanish Language advertising and reach approach for other EM markets (4-10 on). Proposer notes not recommending an Asian-specific media plan for mass media based on less than 5% population.

ICM-Integrated Communications Mapping p.5

Proposer notes ranked top three touch points are Mobile, In-Store Advertising and Radio p. 7
Proposer's sales analysis for media detailed. P.8

4.1.2 Proposer contracts over last five years detailed on 4-14. Customers: GM, Domino's, Anheuser Busch, Lowe's, Kimberly Clark, Mars Wrigley and Burger King (ended 2010). Largest contract GM 5.8M, others between 1.5M and 3.5M.

7.1.2 Digital Strategy. Proposer is partnering with Springbox, an interactive services agency noted as helping brands build digital experiences to captivate customers and drive business. Springbox clients detailed on 7-2 including Austin City Limits, Disney, Microsoft Advertising, NASCAR, HEB, Livestrong, Apple Dell, Sony, Nestle, Ford and Honda.

Proposer details its joint integrated digital strategy with Springbox beginning on 7-2. TLC website leverage suggestions on 7-3. Springbox process is a combination of technology, experience and staff with emphasis on change management process. Springbox, indepth service overview 7-9 on.

7.1.3 Advertising Related Market Research and Planning. Proposer notes it has taken a different approach in the multicultural space, away from stereotypes and conventional wisdom resulting in becoming the most awarded/recognized multicultural agency over the past years. Consolidated research/planning approach detailed 7-12 on, led by Christian Filli, VP Strategic Planning. Proposer notes use of client research and third-party database tools detailed on 7-13. Proposer notes making unprecedented investment in a proprietary quant/qual study in 2011 resulting in 2 main themes: ForeCulture (transcultural, not GM and multicultural) and Bilennials (bicultural consumers that embrace diversity, example-based influence) described on 7-14 and 15. Brandsteer proprietary strategic approach to consumer brand interaction described 7-16 on.

8.2 Client Case Examples—Proposer provided several case examples 8-135 on. Sample.

- Chevy Insurance Break—research identifying new car purchases limited by inability to get or afford insurance. Campaign bundled cars with free insurance for 1 year. Metlife partner. Chevy Cruz, Snoopy campaign. Two state test resulted in 20% sales increase, expanding nationally in 2012.
- Domino's Pizza—Goal Hispanic non-traditional TV execution to break through clutter. Had to execute against existing media plan. Research led to appointment TV approach around telenovela reminding to order Domino's in time for the next episode. Product placement—pizza ordered on the show.
- Bud Light—Pitbull. Facebook Social Media campaign. 200% jump in new comments and likes and 40 million overall impressions with Shazaam TV tie-in.
- Central Market (Springbox Case Example)—Hatch Chile Fest Ultimate Shopping Experience, recipe app, social engagement (facebook, twitter, mobile site and home site interaction).
- SweetLeaf Tea. Digital presence expansion.

General—Proposer and its vendor partners have substantial demonstrated experience in providing the requested goods and services. Proposer has significant experience working with TLC. Proposer has demonstrated experience working on large major brand accounts primarily for EM work with typically smaller annual billings than TLC. Proposer has demonstrated experience acting as a full service advertising agency. Proposer demonstrates its investment in research efforts in its response. Proposer's media spending and allocation strategy for GM and EM (section 4.1) particularly thorough and strategically grounded. Proposers Brandsteer proprietary approach detailed on 7-16, and applied in creative assignment. Proposer provides evidence of significant recognition from the industry for its work. Proposer illustrates its approach to the multicultural space noting that avoids stereotypes and conventional wisdom in achieving industry level success. Proposer details its approach to integrated digital strategy with Springbox on 7-2. Springbox strong digital experience detailed in this section along with client case examples. Proposer client case examples for Chevy Metlife (cobranding) and Domino's Novela product placement were a highlight.

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LW STAFF	TITLE
Account Management	Group Account Director—Christy Kranik, LW Managing Director and Senior VP, LW since 2004, former Senior Brand Manager Dell 99-04, former GSDM 98-99, TLC account exp.
	Account Director (minimum 5 yrs. exp.)— Jaime Gonzalez-Mir, LW since 2009, Dieste 03-06, BBDO Latin America 96-03 and other. Latin American product launch/positioning (pepsico, etc.) experience, TLC account exp. Chris Noble, LW since 2006, Cramer-Krasselt, careerbuilder.com 04-06, CCP 00 to 04 TLC account exp.
	Account Supervisor (minimum 3 yrs. exp.)— Janelle Trevino, LW since 2008, TracyLocke 06 to 08, TLC account exp.
	Account Executive (minimum 1 yr. exp.)— Carla Ferguson, LW since 2011, expertise in digital strategy, website development project involvement (UTIMCO and DIR), management of $2 PB spots for TLC.
	Junior Account Executive—Alvaro Cifuentes, LW since 2010, Omnicom (DAS-Latin America) 05 to 10, TLC print and radio projects exp.
	Account Coordinator—N/A Proposer notes that this position is TBD
	Account Planner (minimum 3 yrs. relevant market research exp.)— Christian Filli, LW since 2011, Landor Assoc. 09 to 11 (global branding), Marketing Director Reebok 04 to 09, 19 years exp. working with global brands Monica Sanchez, LW since 2010, variety of past positions on client (including P&G) and vendor side dating to 95 Daniela Totah Bain, LW since 2008, prior strategic work on TLC and other LW accounts, prior work experience focused on Graphics Design and Art Direction, account planning consumer behavior education
	Assistant Account Planner—Sandra Rivera, LW since 2011, prior work on TLC account
Media	Media Director (minimum 5 yrs. relevant media exp.)—Keisha Andrews, LW since 2004, 15+ years exp. Hispanic and GM media planning, prior work on TLC account Chloe King—LW since 2008, GSDM 99 to 07, media buying for TLC exp. **Monica Davis—External Staff—founder of The Davis Group, 78 to present. Experience with state government clients: CPS, DHHS, TxDot, TWC and other clients **Tracy Arrington (The Davis Group) 07 to present, GSDM 96 to 07 **Meenah Hulsen (The Davis Group) 07 to present, GSDM 00 to 07, various other exp. (circuit city, carmax, etc) **Adam Keeton (The Davis Group) 03 to present
	Associate Media Director—N/A Proposer notes position is TBD
	Media Planner—Annie Sarabia, LW since 2011, dedicated to TLC account while at LW Celina Ramirez McGraw, LW since 2010, currently focused on other vendor accounts, proposer notes prior work on TLC account
	Junior Media Planner—N/A Proposer notes position is TBD

	Media Buyer— **Stephanie Freed (The Davis Group) 05 to present Proposer notes that in-house Media Buyer position is TBD
	Junior Media Buyer—Ashley Parker, LW since 09, has worked as hybrid planner/buyer for proposer
Creative	Creative Director (minimum 5 yrs. relevant creative exp.)— Sergio Alcocer, LW 1999 to present, prior exp. dating to 1985 with Leo Burnett, Young and Rubicam and Castor Advertising (one of the original Hispanic specialty firms in NY) Norberto Zylberberg—LW 02 to present, other exp. dating to 1995 including J. Walter Thompson, TLC creative work exp. Phillip Gant (Urban)—LW 04 to present, other exp. dating to 1983 including BBDO and J. Walter Thompson, TLC creative work exp.
	Associate Creative Director— Seth Taylor, LW since 2006, other exp. dating to 1997 combined experience in art and creative direction. Proposer notes exp. on TLC work, not listed on primary client list Pachi Tamer, LW 09 to present, 15 years exp including work with Bravo, Young and Rubicam, TLC work exp.
	Art Director-Juan Pedro Gonzalez, LW since 2008 to 2010 and back in 2011, Y&R in between with social media exp. noted. Catherine Albritton, LW since 2007, traditional media, online and non-traditional media creative work noted, TLC work exp. noted Jenna Bixler, LW since 2008, TLC exp. Jumbo Bucks Boomerang TV, other exp. Bud Light Pitbull spot noted.
	Copywriter— Keith Etter, 15 years copywriter and Art Director exp., LW since 01, TLC exp. Diego Castillo, LW since 2008, 15 years copywriting exp., TLC exp. noted Nick Garza, LW since 2009, TLC exp. noted
	Copy Editor—N/A
Digital	Digital Creative Director (minimum 5 years multimedia design exp.) Roberto Hernandez, LW since 09 focused on LWs efforts in the digital landscape, past exp. includes several corporate communications programs in US and Mexico (Lowe's, Apple, Revlon, Bose, etc., executed launch of Dell's PR plan in South/Central America dating to 2002 **Katie Kirkpatrick (Springbox) since 2011, previously with T3 06 to 11 and Nieman Marcus Online 03 to 06, 10 years combined creative lead and content strategy work for large, nationally recognized companies. **Megan Berryman (Springbox) since 2011, T3 10 to 11, others 02 to 10, 10 years exp. online and offline experience creative delivery across variety of platforms noted
	Digital Producer **Elli Pope (Springbox) since 2010, software quality assurance engineering background with Neopost Loop One 04 to 10, noted passion for project management **Zach Redler (Springbox) since 2010, previous exp. SicolaMartin 04 to10, exp. focused on brand awareness and lead generation initiatives, through digital and traditional advertising, experiential marketing and branding.
	Digital Specialist—

	**Robert Raidford (Springbox) 2008 to 2009 and 2011 to present, 10 to 11 working with Wunderman NY on interactive development for Nokia and Citibank projects
	Programming Specialist— Matt Reyes, LW since 2010, past exp. including Voto Latino **Casey Locker (Springbox) since 2007, 15 years of web development exp.
Production	Production Manager— Scott Radigk, LW since 2009 overseeing broadcast and print production, 27 years combined exp. in advertising Melody Parsons, LW since 2010, 23 yrs. exp. including advertising, broadcast, production and talent negotiation with Wingo, GSDM and TracyLocke
	Production Coordinator— Amber Salinas, LW since 2010, work as in-house editor.
	Broadcast Producer— Sharon Chortek, LW since 1997, 25 yrs. exp. as broadcast producer including exp. with Publicis, TracyLocke and Venet Advertising, TLC exp. noted Elizabeth Spiva, LW since 1999, all agency broadcast exp.
	Print Producer— Steve Grill, LW since 2008, 17 yrs. combined exp. in digital production and graphic design, oversees other print producers Tommy Salazar, LW since 2003 in print production department
	Print Production Specialist—position not noted in proposers organizational structure
	Art Buyer-- position not noted in proposers organizational structure
	Traffic Specialist-- position not noted in proposers organizational structure
	Project Manager-- position not noted in proposers organizational structure
	Translator— Desiree Mata, LW since 2008, English/Spanish written dialog creation Alma Contreras, LW since 2010, 4 yrs. exp. as translator
Promotions	Promotional Event Planner (minimum 3 years of relevant promotional event exp.)— Luis Guido, LW since 2007, lead for consumer engagement department including resources beyond traditional advertising, including in-store activation, sponsorship negotiation, shopper insight and experiential engagement opportunities. 10 yrs. exp. with Fortune 500 clients noted Joey Villanueva, LW since 2006, noted exp. on TLCs event associated media planning for FY12, Lowe's Hispanic promotions initiatives management Omarr Cantu, LW since 2010, lead on negotiating sponsorships, promotional evaluations, and logistics coordination. 4 yrs. prior exp. with other agencies coordinating McDonald's non-traditional and experiential initiative
	Promotions Specialist
Finance	Finance Manager— Michelle Pina, LW since 2006, day to day finance department lead Natalie Hennessee, LW since 2002, leads small team of finance coordinators and a supervisor.
	Staff Accountant— Alex Zamarron, LW since 2007, oversees accounting functions, budget preparation and audit

	Billing Coordinator— Patrick Allare, LW since 2010 Proposer notes additional Billing (Finance) Coordinator position to TBD on Org Chart