



# Texas Lottery RFP 2012

Texas Lottery Commission  
RFP 362-12-0002  
February 21, 2012





# Table of Contents

<b>Letter of Transmittal</b> .....	<b>1</b>	2.15	Additional Information .....	19
<b>Executive Summary</b> .....	<b>3</b>	2.16	Proposal Evaluation and Contract Award .....	19
<b>1 General Information</b> .....	<b>9</b>	2.17	Oral Presentations .....	20
1.1 Purpose .....	9	2.18	Protest Procedure .....	20
1.2 Our Vision and Mission .....	9	<b>3 Contractual Terms and Conditions</b> .....	<b>21</b>	
1.3 Our Core Values .....	9	3.1 Introduction .....	21	
1.4 Schedule of Events .....	10	3.2 Governing Law .....	21	
1.5 Successful Proposer's/ Lottery Relationship .....	10	3.3 Contract Elements .....	21	
1.6 Procurement Authority .....	11	3.4 Amendments .....	21	
1.7 Proposals Subject to Texas Public Information Act .....	11	3.5 Waiver .....	21	
1.8 Misunderstanding or Lack of Information .....	12	3.6 Clarification of Lottery's Intent .....	22	
1.9 Rejection of Proposals and Cancellation of RFP .....	12	3.7 Lottery's Financial Obligations .....	22	
1.10 Ownership of Proposals .....	12	3.8 Relationship of the Parties .....	22	
1.11 Incurred Expenses .....	12	3.9 Payment .....	22	
1.12 Proposal Tenure .....	12	3.10 Assignments .....	23	
1.13 No Texas Lottery Obligations .....	13	3.11 Subcontracting .....	23	
1.14 Successful Proposer's Obligations .....	13	3.12 Lottery Approval of Staffing .....	24	
1.15 Captions .....	13	3.13 Background Investigations .....	24	
1.16 Survival .....	13	3.14 Compliance .....	25	
1.17 Parts Incorporated .....	13	3.15 Term of Contract .....	25	
<b>2 Proposal Process</b> .....	<b>15</b>	3.16 Termination at Will .....	25	
2.1 Contact Person .....	15	3.17 Termination for Cause .....	25	
2.2 Prohibition Against Unauthorized Contact .....	15	3.18 Termination for Impossibility of Performance .....	26	
2.3 Pre-Proposal Conference .....	15	3.19 Termination Without Penalty .....	26	
2.4 Inquiries .....	15	3.20 No Liability Upon Termination .....	26	
2.5 Submission of Proposal .....	16	3.21 Warranties .....	27	
2.6 Response Format & Contents .....	17	3.22 Licenses and Permits .....	27	
2.7 Letter of Transmittal .....	17	3.23 Successful Proposer Site Visits .....	27	
2.8 Executive Summary .....	17	3.24 Intellectual Property Rights .....	28	
2.9 Proposer's Contracting Authority .....	18	3.25 Pre-Existing and Third Party Rights .....	29	
2.10 Proposer's Cost Proposal .....	18	3.26 Remediation .....	30	
2.11 Multiple Proposals .....	18	3.27 Intellectual Property Search .....	30	
2.12 Joint Proposals .....	18	3.28 Personality Rights .....	30	
2.13 Changes, Modifications and Cancellation .....	18	3.29 Accounting Records .....	31	
2.14 Updates to Information Supporting a Proposal .....	18	3.30 Right to Audit .....	31	
		3.31 Indemnification .....	31	
		3.32 Bonds and Insurance .....	32	
		3.33 Self Insurance .....	32	
		3.34 Performance Bond .....	32	
		3.35 General Liability Insurance .....	33	

3.36	Workers' Compensation & Employers Liability Insurance	36
3.37	Professional Liability (Errors and Omissions) Insurance	33
3.38	Property Insurance	33
3.39	Crime Insurance	33
3.40	Disclosure of Litigation	33
3.41	Changes In Ownership	34
3.42	Force Majeure/Delay of Performance	34
3.43	Taxes, Fees and Assessments	34
3.44	News Releases	35
3.45	Advertising	35
3.46	Hiring of Texas Lottery Personnel	35
3.47	Hiring of Lobbyist, Consultant And/OR Advisor; Supplemental Information	35
3.48	Notices	36
3.49	Non-Disclosure	36
3.50	Usufruct	36
3.51	Ticket Purchase	36
3.52	Liquidated Damages	37
3.53	Sanctions and Remedies Schedule	37
3.54	Dispute Resolution	39
3.55	Certifications	40
3.56	Preferences	41
3.57	Deceptive Trade Practices; Unfair Business Practices	41
3.58	Immigration	41
3.59	Electronic and Information Resources Accessibility Standards, As Required By 1 Tac Chapter 213 (Applicable to State Agency and Institutions of Higher Education Purchases Only)	41
3.60	False Statements; Breach of Representations	42
3.61	Limitation on Authority; No Other Obligations	42
3.62	Proposer Assignment	42
3.63	Code of Conduct	42
3.64	Contact with Texas Lottery Commission	43
3.65	Incidents and Anomalies	43
3.66	Non-Exclusive Contract	43
<b>4</b>	<b>Required Information</b>	<b>45</b>
4.1	Experience of Proposer	45
4.2	References	58
4.3	Contact Person	63
4.4	Conflict of Interest	63
4.5	Financial Soundness	63
4.6	Background Investigations	68

<b>5</b>	<b>HUB Subcontracting Plan (HSP)</b>	<b>71</b>
5.1	HSP Requirement	71
5.2	HSP Submission and Texas Lottery Review	71
5.3	Assistance for Preparation of HSP	71
5.4	Requirements for Completing the HSP Forms	72
5.5	Subcontracting Opportunities	72
5.6	Post Contract Award	75
<b>6</b>	<b>Advertising Agency Staffing Requirements</b>	<b>77</b>
6.1	Ad Agency Staffing	77
6.2	Agency Staff Structure	161
6.3	Agency Staff Position Definitions	171
6.4	Agency Staff Position Changes	175
<b>7</b>	<b>Scope of Services</b>	<b>177</b>
7.1	General Description of Services and Requirements	177
7.2	Advertising Sensitivity	187
7.3	Advertising and Media Plans	188
7.4	Budget	189
7.5	Reports	189
7.6	Creative Services	190
7.7	Media Services	191
7.8	Materials and Signage	192
7.9	Film and Placement Verification Storage	192
7.10	Goods and Equipment	192
7.11	Public Service Announcements	192
7.12	Translation Services	192
7.13	Experiential Marketing – Promotional Events/ Activities, Sponsorships and Special Events	193
7.14	Expenditure Approval	193
7.15	Billing/Invoices	194
7.16	Shipping/Freight Charges	195
7.17	Travel	195
7.18	Unacceptable Products	195
7.19	Unacceptable Services	195
7.20	Meetings With TLC Vendors	195
7.21	Other Associated Services (Offered Option)	196
7.22	Austin Office	196
<b>8</b>	<b>Creative Response</b>	<b>197</b>
8.1	Creative Assignment	197
8.2	Client Case Examples	391

**Attachment A Proposer's Commitment**

**Attachment B Financial Commitment and Responsibility**

**Attachment C Hub Subcontracting Plan**

**Attachment C-1 Hub Subcontracting Opportunity Notification Form**

**Attachment C-2 HSP Quick Check List**

**Attachment D V.T.C.A., Government Code § 466.15500**

**Attachment D-1 Background Information Certification**

**Attachment E Vendor Background Investigation Form Apparent Successful Proposer**

**Attachment E-1 Background Information Certified List of Vendor Principals**

**Attachment F Sample Performance Bond**

**Attachment G Scoring Matrix**

**Attachment H Cost Proposal**

**Attachment I Media Flowchart**

**Attachment J Fy11 Sales/Revenue By Game**

**Attachment K Amendments 1-7**





## Glossary of Terms

This Glossary assigns definitions to the listed terms. The definition given to a term listed in this Glossary applies whenever the term appears in this Request for Proposals (RFP) and in any response, including a Proposal, to this Request for Proposals.

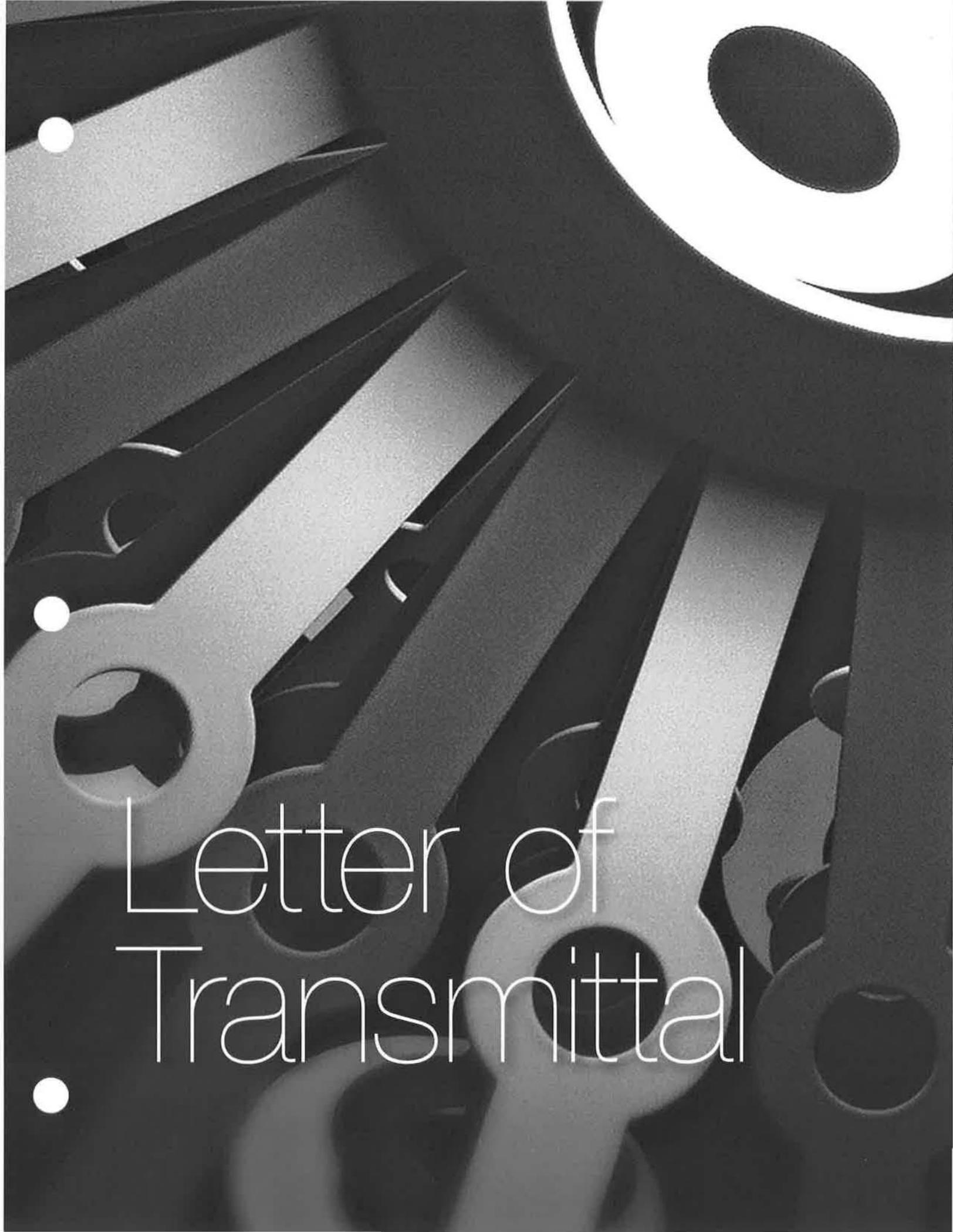
Term	Definition
<b>Apparent Successful Proposer</b>	The Proposer recommended by the evaluation committee and approved by the Executive Director, subject to the execution of a completed contract.
<b>Business Hours</b>	The Texas Lottery's business hours are 8:00 a.m. to 5:00 p.m. CT, Monday through Friday, except State holidays.
<b>Contract</b>	The agreement entered into by the Texas Lottery and the Successful Proposer, which will incorporate the contents of this RFP and the Successful Proposer's Proposal, except as specifically provided to the contrary in the Contract and any amendments to the Contract.
<b>Contract Award</b>	The signing of a Contract between the Texas Lottery and the Successful Proposer.
<b>CPA</b>	Texas Comptroller of Public Accounts.
<b>Day</b>	A calendar day.
<b>Executive Director</b>	The Executive Director of the Texas Lottery Commission or an employee of the Texas Lottery Commission authorized to act on behalf of the Executive Director.
<b>Fiscal Year</b>	The Texas Lottery's fiscal year, which begins on September 1 and ends on August 31 of the following year.
<b>Historically Underutilized Business (HUB)</b>	A Historically Underutilized Business is a business that is certified by the State of Texas that (1) is at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American and/or American woman, (2) is a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas, and (3) has an owner residing in Texas with a proportionate interest that actively participates in the control, operations and management of the entity's affairs. For further explanation, see the CPA HUB rule definitions at, 34 TAC §20.11.



Term	Definition
<b>HSP</b>	The Historically Underutilized Business Subcontracting Plan (HSP) required by Chapter 2161 of the Texas Government Code and by the Texas Lottery Commission Rule, 16 Texas Administrative Code §403.301 (see Attachment C).
<b>Intellectual Property Rights</b>	The worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.
<b>Invited Option</b>	An Invited Option is identified as being of specific interest to the Texas Lottery; however, the Texas Lottery makes no commitment to any quantity or timing for acquisition. The Proposer is not obligated to include an Invited Option in the Proposal.
<b>Offered Option</b>	Offered Options are not identified in this RFP, but may be identified by the Proposer and included in the Proposal. This is an opportunity for Proposers to offer options that the Texas Lottery may not have been aware of at the time the RFP was written. The Texas Lottery makes no commitment to quantity or timing for acquisition of Offered Options. A Proposer is not obligated to include an Offered Option in the Proposal.
<b>Prime Contract</b>	The following contracts which the Texas Lottery has entered into or may enter into in the future are considered prime contracts: lottery operator, instant ticket manufacturer, advertising services, lottery drawings audit services, drawings broadcast services, instant ticket testing services, annual financial audit and Mega Millions and Powerball agreed-upon engagement procedures, outside counsel for intellectual property matters, statistical consulting services, surveillance camera products and related services and internal control system. The Texas Lottery may, at its sole option, add or delete contracts that are considered prime contracts.

Term	Definition
<b>Proposal</b>	All information and materials submitted by a Proposer in response to this RFP. This includes the Cost Proposal, Technical Proposal, and other information and materials provided to the Texas Lottery by the Proposer prior to Contract Award.
<b>Proposer</b>	An individual or entity that submits a Proposal. The term includes anyone acting on behalf of the individual or entity that submits a Proposal, such as agents, employees and representatives.
<b>Responsive Proposal</b>	A Proposal submitted which conforms in all material respects to the RFP.
<b>RFP</b>	This Request for Proposals.
<b>Specified Option</b>	A Specified Option must be proposed by the Proposer; however, the Texas Lottery does not commit to any quantity or timing for acquisition of a Specified Option. A Proposal may be rejected if a Specified Option is not included.
<b>State</b>	The State of Texas and its agencies, boards and commissions, officers and employees.
<b>Subcontractor</b>	A person who contracts with the Successful Proposer to work, to supply commodities, or contribute toward completing work for the Texas Lottery.
<b>Successful Proposer</b>	The Proposer with whom the Texas Lottery executes a Contract to provide the goods and services that this RFP requires.
<b>TPASS</b>	Texas Procurement and Support Services. TPASS is a division of the Texas Comptroller of Public Accounts (CPA).
<b>Texas Lottery Commission, Texas Lottery, Lottery or TLC</b>	That agency created by Chapters 466 and 467, Texas Government Code. The Texas Lottery Commission may be referred to as the Texas Lottery, Lottery or TLC throughout this document.
<b>Working Days</b>	Business days occurring Monday through Friday except for the legal holidays observed by the State of Texas. The terms "working days" and "business days" may be used interchangeably.

Term	Definition
<b>Works</b>	<p>Any tangible or intangible items or things that have been or will be prepared, created, maintained, serviced or developed by a Successful Proposer (or such third parties as the Successful Proposer may be permitted to engage) at any time following the effective date of the Contract, for or on behalf of TLC under the Contract, including but not limited to any (i) works of authorship (such as literary works, musical works, dramatic works, choreographic works, pictorial, graphic and sculptural works, motion pictures and other audiovisual works, sound recordings and architectural works, which includes but is not limited to lottery games, game names, game designs, ticket format and layout, manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer software, scripts, object code, source code or other programming code, HTML code, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to TLC under the Contract, and (viii) all Intellectual Property Rights in any of the foregoing.</p>



Letter of  
Transmittal



February 21, 2012

Ms. Angela Zgabay-Zgarba, CTPM, CTCM  
Contracts Administrator  
P.O. Box 16630  
Austin, TX 78761-6630

**Letter of Transmittal  
Texas Lottery Commission  
RFP for Advertising Services Response  
RFP #362-12-0002**

Dear Ms. Zgabay-Zgarba and Evaluation Committee:

TM Advertising is pleased and proud to submit our response to the Texas Lottery Commission's Request for Proposal for Advertising Services.

TM Advertising is fully committed to delivering the goods and services required by the Texas Lottery Commission. We are also stating that we understand and accept the terms and conditions specified throughout the RFP and its subsequent amendments. As you have requested, we are also specifically stating that we understand and accept the conditions in Part Three. I stand as the individual legally authorized to bind TM Advertising to the representations in this proposal.

We are submitting a joint proposal with TM Advertising as the lead contractor and single entity that will contract with the Texas Lottery and be responsible for the delivery of all goods, services and requirements set forth in the Proposal. We have relationships with and are partnering with several subcontractors to deliver the services as described in our response. Our partners include Bromley Communications as our multicultural partner, The Ward Group as our media buying partner and TPN as our promotions partner.

Please note that this proposal will remain valid for a period of one hundred and eighty (180) calendar days from the day following the date of this submission.

**Why TM is a Qualified Proposer**

*Passion for the Business*

First, TM wants your business. We have an honest desire and excitement to take on this complex challenge and tackle it with intensity. We want to work on your business: a business that will challenge us to bring our best thinking and a business where we can roll up our sleeves in partnership with you to create your greatest success yet. We love the thrill of competition and are excited about the prospect of helping the Texas Lottery Commission meet and exceed their goals.

### *Seamless and Effortless Partnership*

Second, we understand the challenges you face. You are in an exceedingly complex business with pressure from both inside and out. And we'd love to help shoulder the responsibility as your partner. To do that, we along with our subcontractors have assembled a hand-selected team of revered experts in their specified disciplines who are passionate about bringing the best solution to the table for the Texas Lottery Commission. The relationship with our subcontractor partners is seamless in ideation and communication concepting. Everyone has had an equal voice, opportunity and responsibility to craft our best thinking for the Texas Lottery Commission. We believe this will be evident throughout our recommendations in the following written proposal. This is how we have attacked this proposal and this is how we will attack your business on a daily basis.

### *The Genius of AND*

We believe that TM offers the best of both worlds for the Texas Lottery Commission.

We will bring you:

- Fresh perspective on your challenges – AND – a healthy respect for maintaining what has worked in the past
- Brand building communications to create emotional connections – AND – traffic driving promotions to drive sales
- Rigorous metrics and analytic tools – AND – the people who know how to use them and interpret them
- Awe-inspiring ideas – AND – humility/approachability
- A new approach to working together – AND – proven processes and systems for managing a complex, government account
- Global resources, research and tools that only come from the IPG network – AND – a local, accessible team of dedicated partners
- Fresh, energized agency team – AND – people experienced in your business to hit the ground running

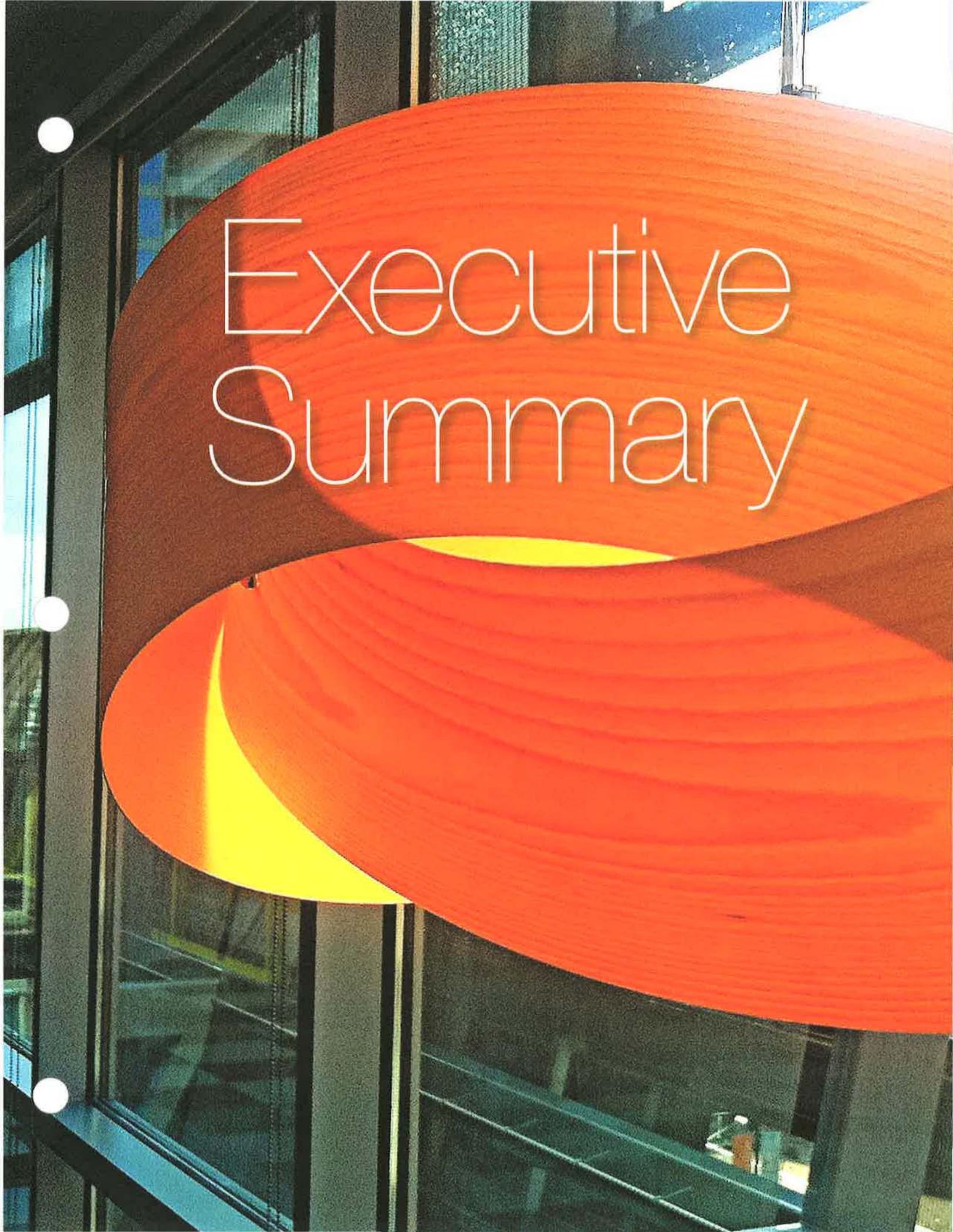
There's no question you're in a challenging and complex business in a state with a diverse consumer base – and you're under the added pressure of constant scrutiny. We have clients in similar situations and are proud to act as their brand steward as we, together, navigate their daily challenges to meet and exceed their goals. This is what we do. And we hope to do it for you as well.

Thank you for your consideration. We appreciate the opportunity to submit this proposal.

Sincerely,



Rebecca M. Weigman  
Chief Executive Officer  
TM Advertising



# Executive Summary

## Executive Summary

At TM Advertising, we are a diverse and passionate group of people who stand at the gate ready to go to work for the Texas Lottery. Our energy and excitement are palpable and have been throughout the RFP process. After our hard and rewarding work, we are pleased and proud to submit our response to the Texas Lottery Commission's Request for Proposal for Advertising Services.

TM is fully committed to delivering the products and services required by the Texas Lottery Commission. All of the requirements of the RFP have been met. As your advertising services partner, we pledge to meet and exceed your product and communication objectives, your HUB goals and your expectations.

We are submitting a joint proposal with TM as the lead contractor partnering with Bromley Communications as our multicultural specialist; The Ward Group as experienced Lottery and Texas media buyers teamed with TM's innovative planning group; and TPN, a world-class promotions agency.

### **Sections 1–3: General Information, Proposal Process, Contractual Terms and Conditions**

We have specifically stated that we understand and accept the terms and conditions specified throughout the RFP and its subsequent amendments.

### **Part 4: Required Information**

We look forward to meeting you soon. In the meantime, we would like to introduce you to our agency. We know you have worked with various agencies in the past and know you will be meeting some new potential partners in the process of this RFP. So what makes us special?

#### ***We create ongoing success***

Your success. This is our relentless focus. We have a unique and disciplined approach to identifying, delivering and nurturing a meaningful brand platform. Our approach is rooted in four core tenets:

Finding Your Beautiful Truth – A framework for all communications that starts with the foundation of your category, consumer and company truths.

Connecting in Meaningful Ways – No silos here. We have a unique collaboration between media and creative that results in messaging and content that breaks through the clutter.

Optimizing Every Step of the Way – We never stop measuring and learning. Utilizing data analytics, tracking studies and custom research, we are dedicated to continuous measurement and improvement.

Flawless Execution – Through rigorous project management and financial stewardship, quality assurance processes and in-house production capabilities, we quickly and efficiently produce communications to exacting standards.

#### ***We know how to drive traffic and trial at retail***

Whether it is getting people in airline seats, out to eat, traveling to Texas or buying Slurpees, making the cash register ring is in our DNA.

### *We understand diverse audiences*

We recognize Texas as a minority-majority state, where minority values are shaping the culture more than ever. It is in this new Texas that the traditional “multicultural” approaches are limited and outdated. One’s identity is not singular, but multiple and iterative – each person is a mosaic. We achieve relevancy by understanding contemporary culture and the context in which consumers create relationships, make decisions and see themselves.

### *We’ve responsibly managed government and complex organizations*

We’re no stranger to working with some of the most complex, challenging and highly regulated industries – the airline business, the energy business and the Texas Office of the Governor, EDT. With a background of knowledge and processes in place, we are confident we will hit the ground running.

### *We carefully manage public perceptions and image sensitivities*

Not many agencies have experience dealing with bankruptcies, oil spills and terrorist attacks as part of their clients’ business challenges. Our clients trust TM to navigate these difficult times and create communications that help manage public perceptions.

### *We share your values*

We are encouraged to see how our core values are similar in sentiment to yours. We will hold ourselves accountable to our joint values in everything we do.

### *We bring extraordinary resources to the table*

Our people are seasoned professionals who bring big hearts, smart brains and best-in-class experience to bear on our clients’ businesses. Through the IPG network, we have access to world-class technology, tools, research and measurement techniques all designed to heighten your success in the marketplace.

### *And we constantly add value to your business*

We will bring extra value on an ongoing basis whether it’s unexpected ideas, added media value or surprising client satisfaction. To start, we have created a Retail Advisory Board made up of seasoned retail professionals and pioneers in shopper marketing. In twice a year forums, we will focus on a best-in-class approach to understanding and shaping customer shopping behavior with topics such as emerging retail trends, channel relationship development, customer loyalty strategies, etc. All added value at no charge.

## **Part 5: HSP Plan**

TM is pleased to submit our HSP Plan. We applaud the state’s initiative to promote equal opportunities for all Texas businesses and are pleased to support this important effort. We have not only met, but exceeded, the Texas Lottery Commission HUB goal of 24.6%. We expect 90.11% of the full value of the contract to be subcontracted to HUBs with which we have had contracts in place for five years or less.

## **Part 6: Advertising Agency Staffing Requirements**

We’ve assembled a team for the Texas Lottery that has a wealth of industry experience, a passion for delivering powerful and innovative communication solutions and a commitment to building a long-term relationship with you built on mutual trust and respect. Each team member has been hand-chosen to provide the Lottery with the right balance of experience and expertise in several critical areas:

- Marketing of retail products
- Marketing to the diverse population of Texas
- Operating within the fast-paced, detail-oriented and mindful environment required by a complex government account
- Superior team leadership

Your business will be guided by a brain trust of the most senior members of our integrated agency team. Susan Scull, Group Account Director, as the leader of your team will be flanked by seasoned executives including Becca Weigman (CEO, TM Advertising), Bill Oakley (Chief Creative Officer, TM Advertising), Ernest Bromley (CEO, Bromley), Jessica Pantanini (COO, Bromley), Shirley Ward (CEO, The Ward Group) and Cathy Brown (SVP of Client Service, TPN).

But all this brain power means nothing without a collaborative and productive working relationship. To put it another way – you’ll love working with us. The entire Lottery team is a very open, honest and easy team to partner with. We’re about creating positive synergy to craft solutions that will drive your business. We’re not about posturing or forcing ideas that don’t fit your brand or culture. You’ll find our passion for our client’s business is as big as Texas – but our egos are not.

## **Part 7: Scope of Services**

TM is fully capable and ready to deliver the services necessary to elevate the success of the Texas Lottery. Our team of multidisciplinary specialists is particularly adept at driving integrated marketing solutions that will resonate and drive response across each and every consumer audience in the state – and what a challenging, varied audience it is. We carefully consider each consumer and how their unique, cultural perspective impacts our marketing strategies. And then we create innovative solutions across all possible consumer touch points: television, radio, out-of-home, print, digital, social, promotions, events and in-store. And, finally, we rigorously measure and optimize response in order to maximize the business impact.

In addition, we have in-depth expertise in the digital and social marketing disciplines. At TM, digital and social are not afterthoughts – we have dismantled the silos typically found inside agencies by integrating these disciplines into each department within our organization. Because of this, we seamlessly plan and execute cross-platform, multichannel marketing programs that deliver a relevant and impactful consumer experience at every touch point.

## **Part 8: Creative Response**

### **Client Case Examples**

We’ve submitted several case studies across all partners that parallel the challenges for Holiday Scratch-Offs. Making the cash register ring. Driving trial and repeat purchases. Connecting with diverse audiences. Breaking through a cluttered environment. Competing for discretionary dollars.

### **Creative Assignment**

At TM, we have a goal-oriented, rigorous planning process – a process grounded in research, substantiated with metrics and built in collaboration. The output of this process is a single-minded strategic brand idea, breakthrough creative and sound media execution that is relevant to each audience and revenue generating for the brand.

## Strategic Approach

At TM, our strategic foundation is built around Finding Your Beautiful Truth and expressing it in a relevant and meaningful way.

To find the Beautiful Truth for this assignment, we steeped ourselves in research. We immersed ourselves in your data, secondary research and cultural and consumer trends and then overlaid all of this learning with our own rich and robust qualitative and quantitative research, across the diverse audiences, to find true insights.

From these insights we identified the core truths – those of the category, the consumer and the scratch-off product. And at their convergence lies your Beautiful Truth – the strategic idea – an idea we believe to be highly motivating because it not only resonates but it differentiates.

The strategy taps the unique intersection between the holidays and scratch-offs and takes ownership of the emotional payoff delivered by both. It is an idea that is uniquely true, universally accepted across your diverse audiences, distinctly different and creatively compelling.

More important, we believe it is a strategy that feeds on itself ... a strategy that is infectious enough to turn those who receive scratch-offs as a gift into givers of this gift.

## Media Approach

At TM, we believe in a channel-agnostic approach. An approach rooted in a deep understanding of the market, audience and media ecosystem, ensuring the plan is developed to maximize delivery of the most effective and efficient media mix.

We evaluated the campaign objectives and created a plan to generate awareness and encourage product trial among the diverse population of Texas. Additionally, using one of our proprietary tools, Media in Mind, a robust audience analysis was performed. Using this knowledge, we went beyond simple demographics and media usage to get a snapshot of the qualitative aspects of consumers' lives, such as their environments, activities and mind-set as it relates to media and their media ecosystem. This process informed our strategies and led to the recommended media mix.

Knowing the inherent challenges of selling anything during the cluttered holiday time period, we knew a different approach was required.

The recommended media touch points include a combination of broad-reaching and point-of-sale tactics, allowing us to create meaningful media intercepts that align with the gift-giving behaviors and leverage contextually relevant moments during their path to purchase. The plan delivers media innovation while exceeding the effective communication reach/frequency goals established for the campaign.

## Creative Approach

For the Texas Lottery, we're really excited to share where this strategy has taken us, and your brand.

With a sound strategic platform in hand, we dug into our creative exploration. The work you'll see here is authored by some of the most savvy, strategic and experienced brand and retail thinkers in the industry.

At TM, we've found that a very focused strategy, rather than limiting what creative people can do, actually frees us up to explore multiple areas for our clients.

What follows is three different approaches – each relevant and motivating, each illuminating the brand platform, each with a distinct point of entry:

### **The product.**

The one-of-a-kind holiday gift – as hero – with that irresistible silver, flaky ink that just begs to be scratched.

### **The experience.**

The special feeling, for both giver and receiver, that no other holiday gift can provide. No one really knows “what’s inside” a Holiday Scratch-Off. How cool is that?

### **The emotion.**

The loftiest of ideas that showcases that singular moment of anticipation with Holiday Scratch-Offs. And shows that no two of those moments are the same. A unifying thought that shows how this strategic platform can grow to a truly memorable idea for the holidays and beyond. Not only for the Texas Lottery, but maybe, just maybe, the whole of Texas.

We knew we were on to something but we needed to find out if consumers agreed. So we took the creative to our diverse audiences, conducting both qualitative and quantitative research, to understand and optimize the ads for relevance and appeal. And you know what – they agreed.

With all that said, we hope you see the business-building potential of this response. We certainly enjoyed the process – we hope you enjoy the results.





# General Info



# 1. General Information

## 1.1 Purpose

- 1.1.1** *The Texas Lottery Commission is issuing this Request for Proposals (RFP) to obtain proposals from qualified vendors to provide advertising services for the Texas Lottery with the objective of reaching the public to responsibly increase revenue and enhance awareness of Texas Lottery games.*
- 1.1.2** *The Texas Lottery intends to award one contract for General and Ethnic Market Advertising Services. Proposers must demonstrate an understanding of Texas as a minority-majority state as well as the ability to effectively reach and speak to the general and ethnic markets.*
- 1.1.3** *The Successful Proposer shall be required to perform services as specified in this RFP and shall fully understand the Texas Lottery's history and background, and support the Texas Lottery's vision, mission, core values and goals. Proposers are encouraged to review the agency's 2008–2011 Business Plan and 2011–2015 Strategic Plan, both of which may be found on the Texas Lottery's website at [www.txlottery.org](http://www.txlottery.org).*
- 1.1.4** *In 2005, Texas became a minority-majority state. According to the 2010 Census, Texas had a minority population of 14.2 million, comprising 56.5% of its total population of 25.1 million. Because of this status, all Proposers must demonstrate the ability to communicate relevant and effective messages to all citizens of Texas. The Proposer's understanding of multi-cultural issues as it relates to the Texas Lottery's advertising will be an important factor in the evaluation process of this RFP.*
- 1.1.5** *The Successful Proposer must be able to perform the functions of a full-service advertising agency, including, but not limited to, branding, creative conceiving, production, planning, buying and placement of, broadcast, digital, print and out-of-home advertising. Proposers that do not have the capabilities to perform the functions of a full service advertising agency individually are invited to join together with agencies to fulfill the requirements of this RFP. Additional services include, but are not limited to, promotional event planning, advertising related market research and translation services.*

## 1.2 Our Vision and Mission

- 1.2.1** *Vision – To be the preeminent Lottery and Charitable Bingo agency through innovative leadership.*
- 1.2.2** *Mission – The Texas Lottery is committed to generating revenue for the State of Texas through the responsible management and sale of entertaining lottery products. The Texas Lottery will incorporate the highest standards of security and integrity, set and achieve challenging goals, provide quality customer service and utilize a TEAM approach.*

## 1.3 Our Core Values

- 1.3.1** *Integrity and Responsibility — The Texas Lottery Commission works hard to maintain the public trust by protecting and ensuring the security of our lottery games, systems, drawings and operational facilities. We value and require ethical behavior by our employees, licensees and vendors. We promote the integrity of Charitable Bingo in Texas for the benefit of charitable organizations.*

- 1.3.2** *Innovation — We strive to incorporate innovation into our products to provide the citizens of Texas with the best entertainment experience available through our products. We pursue the use of technology that enhances the services that we provide to our customers and reduces our operating expenses.*
- 1.3.3** *Fiscal Accountability — We emphasize fiscal accountability by ensuring that all expenditures directly or indirectly generate revenue, enhance security, fulfill regulatory requirements, improve customer service and/or boost productivity. We recognize our responsibility in generating revenue for the State of Texas without unduly influencing players to participate in our games. We maximize benefits to charities through the continual examination and review of Charitable Bingo operations.*
- 1.3.4** *Customer Responsiveness — The Texas Lottery Commission takes pride in providing exemplary service to the people of Texas through the courteous dissemination of clear and accurate information about our products, services and regulatory functions. We seek and respond to feedback expressed by our employees, retailers, licensees and the playing and non-playing public. We apply this feedback in the development of our products and in the services that we provide.*
- 1.3.5** *Teamwork — We are committed to creating an environment of mutual respect where open, honest communication is our cornerstone. We embrace the diversity of our team and individual perspectives in working together to achieve our common goals.*
- 1.3.6** *Excellence — We strive for excellence by taking a position of leadership on issues that impact the Texas Lottery Commission and achieve challenging goals by focusing on our core values.*

## 1.4 Schedule of Events

The following time periods are set forth for informational and planning purposes only. The Texas Lottery reserves the right to change any of the time periods and will post all changes on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/> and/or the Texas Lottery website, <http://www.txlottory.org/> (Click on About Us, Doing Business with TLC, Procurement).

Date	Event
December 13, 2011 (4:00 p.m., CENTRAL TIME)	Issuance of RFP
January 10, 2012 (1:30 p.m., CENTRAL TIME)	Pre-Proposal Conference at Texas Lottery Headquarters
January 19, 2012 4:00 p.m., CENTRAL TIME (Late Questions will not be answered)	Written Questions Due
February 2, 2012	Responses to Written Questions Issued
February 21, 2012 (4:00 p.m., CENTRAL TIME) (Late Proposals will not be considered)	Deadline for Proposals
March 19–30, 2012	Oral Presentations
On or before April 10, 2012 (or as soon as possible thereafter)	Announcement of Apparent Successful Proposer

## 1.5 Successful Proposer's/Lottery Relationship

The Texas Lottery Commission is a part of the Executive Branch of Texas State Government. The Texas Lottery will not relinquish control over lottery operations. The Successful Proposer shall function under the supervision of the Texas Lottery. Its operations will be subject to the same scrutiny and oversight that would apply if all operations were performed by Texas Lottery employees.

Accordingly, all operations must be conducted in adherence to applicable statutes and the highest ethical standards.

## 1.6 Procurement Authority

*This RFP and all activities leading toward the execution of a written contract pursuant to this RFP are being conducted in accordance with the State Lottery Act (Tex. Gov't Code ANN. § 466.001 et seq.), as amended; the Texas Lottery's administrative regulations (16 Tex. Admin. Code § 401.101 et seq.); and other applicable laws of the State of Texas. All Proposers should read and be familiar with the State Lottery Act and 16 TAC §401.101.*

## 1.7 Proposals Subject to Texas Public Information Act

**1.7.1** *The Texas Lottery is subject to the Texas Public Information Act (Act) (Tex. Gov't Code ANN. Ch. 552). Proposals submitted to the Texas Lottery in response to this RFP are subject (in their entirety) to release by the Texas Lottery as public information. However, a Proposal, or specific parts thereof, may be shown by the Proposer to fall within one or more of the exceptions to disclosure provided in the Act, the State Lottery Act or other applicable law. Marking an entire Proposal as "confidential" or copyrighted is unacceptable. If a Proposer believes that parts of its Proposal are confidential under the Act, it should specify the confidential information by marking "Confidential" on each page or by each paragraph containing such information prior to submitting the Proposal to the Texas Lottery. In response to this Section, Proposers shall provide the Texas Lottery with specific and detailed reasons for each item marked "Confidential". Vague and general claims to confidentiality are not acceptable. This detail is necessary so that the Texas Lottery will have sufficient information to provide to the Attorney General of Texas, if a ruling regarding the confidentiality of such information is requested. The Texas Lottery will notify a Proposer if all or part of its Proposal is requested under the Act. Failure of a Proposer to respond to such notification may result in the release of all or part of the Proposal as public information. It is the Proposer's obligation to submit briefing to the Attorney General setting forth the basis upon which the requested information should remain confidential. The Attorney General may determine all or part of a Proposal to be public information even though parts of the Proposal were marked "Confidential" by the Proposer. Please also note that the Attorney General has previously ruled that the statutory exception in Section 552.104 of the Act (Exception: Information Related to Competition or Bidding) generally does not apply after a contract has been awarded.*

TM Advertising has read, understands and will comply with the requirements of this section.

TM has marked the response to one section, 8.2 Client Case Examples, as confidential. All client case examples are marked confidential pursuant to the Texas Public Information Act (Tex. Gov't Code Ch. 552.104 and Ch. 552.110). The case examples are included in the proposal, but we respectfully request that the Texas Lottery consider this information confidential and not for general release.

In Section 552.104, the Code states that "(a) Information is excepted from the requirements of Section 552.021 if it is information that, if released, would give advantage to a competitor or bidder." Further, Section 552.110 states that "(a) A trade secret obtained from a person and privileged or confidential by statute or judicial decision is excepted from the requirements of Section 552.021, and (b) Commercial or financial information for which it is demonstrated based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained is excepted from the requirements of Section 552.021."

The case examples presented include statistical data that is a part of a proprietary and confidential nature to the clients involved. Just as we would protect our work and relationship with the Texas Lottery, our clients expect us to protect their confidential information from public dissemination. However, the clients relevant to

the presented case examples do allow us to share this information with potential clients through RFP processes, such as this, so long as we ensure their proprietary data is protected from their competitors. The public release of this information would give an unfair advantage to a competitor of our clients and cause substantial competitive harm.

Therefore, we have marked all client case studies as “Confidential” and appreciate the option to do so that the Texas Lottery has provided us.

**1.7.2** *The Texas Lottery assumes no responsibility for asserting legal arguments to the Attorney General on behalf of Proposers.*

**1.7.3** *Proposers are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.*

## **1.8 Misunderstanding or Lack of Information**

*By submitting a Proposal, a Proposer covenants and agrees that it fully understands and will abide by the terms and conditions of the RFP and it will not make any claims for, or have any rights to, cancellation or relief without penalty because of any misunderstanding or lack of information. The Executive Director reserves the right to accept Proposals by waiving minor technicalities therein if the Executive Director, within his or her sole discretion, determines it to be in the best interests of the Texas Lottery. The decision of the Executive Director shall be conclusive, subject to protest under Section 2.18 of this RFP.*

## **1.9 Rejection of Proposals and Cancellation of RFP**

*Issuance of this RFP and/or retention of Proposals do not constitute a commitment on the part of the Texas Lottery to award a Contract. The Texas Lottery maintains the right to reject any or all Proposals and to cancel this RFP if the Executive Director, in his or her sole discretion, considers it to be in the best interests of the Texas Lottery to do so.*

## **1.10 Ownership of Proposals**

*All materials submitted by a Proposer will become the property of the Texas Lottery and may be used as the Texas Lottery deems appropriate.*

## **1.11 Incurred Expenses**

*The Texas Lottery accepts no obligations for costs incurred in preparing and submitting a Proposal. Proposals shall be submitted at the sole expense of the Proposer. All Proposals shall be prepared simply and economically, providing a straightforward, concise delineation of the Proposer's capabilities to satisfy the requirements of this RFP.*

## **1.12 Proposal Tenure**

*All Proposals shall be valid for a period of one hundred and eighty (180) Days from the deadline for submitting Proposals.*

### **1.13 No Texas Lottery Obligations**

*The Texas Lottery reserves the right to select qualified Proposals to this RFP without discussion of the Proposals with Proposers. It is understood that all Proposals will become a part of the Texas Lottery's official procurement files after a Contract has been awarded or the procurement has been terminated, and will be available for public inspection except for portions that the Proposer has designated as proprietary and confidential (see Sections 552.110 and 552.305 of the Public Information Act and RFP Section 1.7 above).*

### **1.14 Successful Proposer's Obligations**

*The Successful Proposer shall always be responsible for the performance of any contractual obligations that may result from the award of a Contract based on this RFP and shall be liable for the non-performance of any or all Subcontractors.*

### **1.15 Captions**

*The captions to the Sections of this RFP are for convenience only and are not part of the RFP's substantive terms.*

### **1.16 Survival**

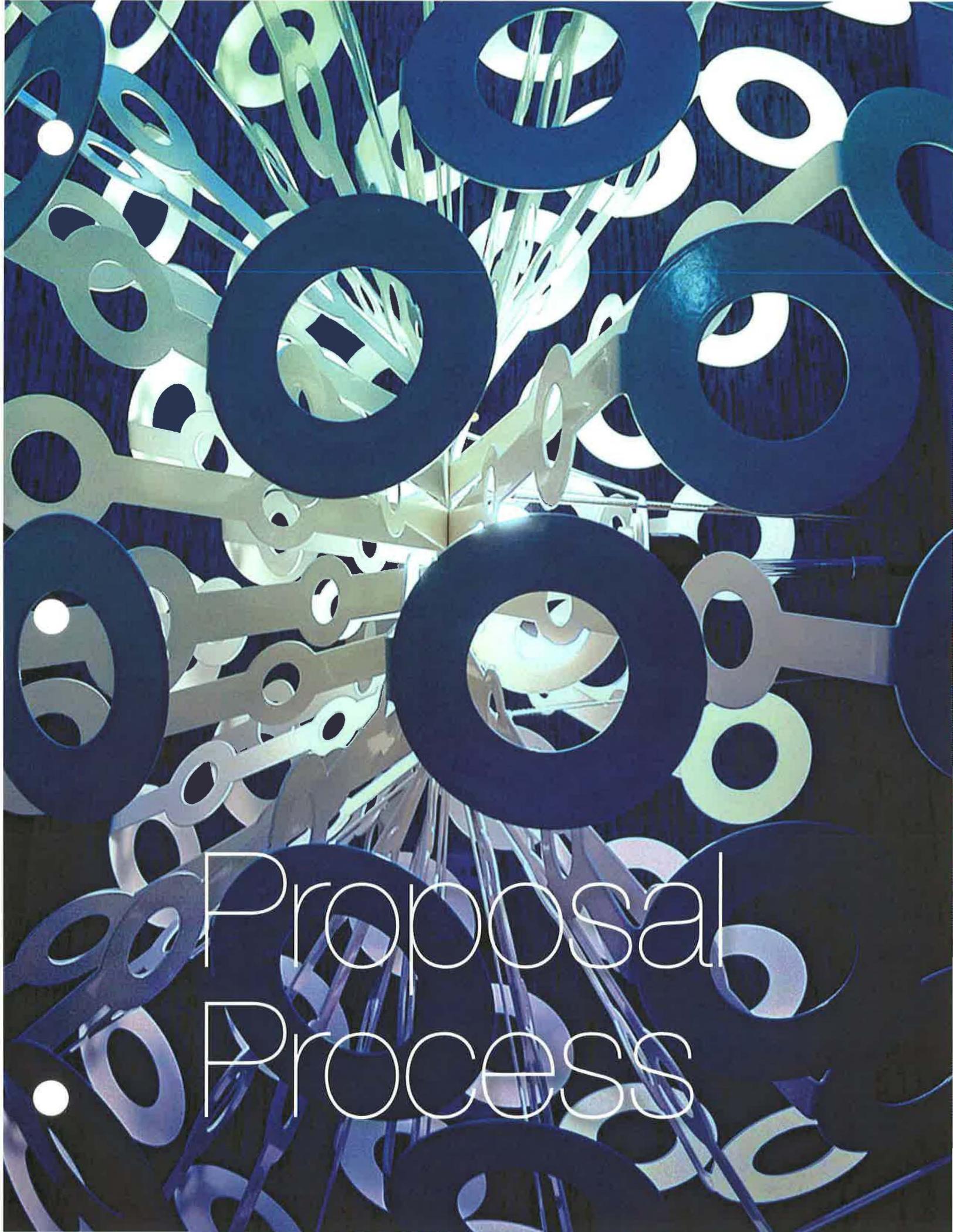
*Provisions of this RFP which of their nature and effect are necessary to enable the Lottery to function normally and to meet all of its obligations shall survive any termination of any Contract resulting from this RFP. These provisions include, but are not limited to, all of the warranties and representations and any provision that by its terms provides for applicability beyond the end of any Contract period.*

### **1.17 Parts Incorporated**

*All attachments listed in the Table of Contents are incorporated into and expressly made a part of this RFP.*

TM Advertising has read, understands and will comply with the requirements outlined in this section titled General Information.





# Proposal Process



## 2. Proposal Process

### 2.1 Contact Person

*The sole point of contact for communications concerning this RFP will be Angela Zgabay-Zgarba, whose address and facsimile number are as follows:*

*Angela Zgabay-Zgarba  
Contracts Administrator  
Texas Lottery Commission  
P. O. Box 16630  
Austin, TX 78761-6630  
Fax (512) 344-5444  
contracts@lottery.state.tx.us*

*The Texas Lottery headquarters' physical address for deliveries is:*

*Angela Zgabay-Zgarba  
Contracts Administration  
Texas Lottery Commission  
611 East 6th Street  
Austin, TX 78701*

### 2.2 Prohibition Against Unauthorized Contact

**2.2.1** *The Texas Lottery is committed to a procurement process that maintains the highest level of integrity. Accordingly, Proposers, as well as their agents, liaisons, advocates, lobbyists, "legislative consultants," representatives or others promoting their position, are limited to those communications authorized by and described in this RFP. Any attempt to influence any of the participants, whether that attempt is oral or written, formal or informal, direct or indirect, outside of this RFP process is strictly prohibited.*

**2.2.2** *Should allegations of improper contact be made prior to any Contract Award, the Executive Director may investigate those allegations and, in his sole discretion, disqualify a Proposer.*

### 2.3 Pre-Proposal Conference

*Prospective Proposers should plan to attend a pre-Proposal Conference to be held at the Texas Lottery headquarters (611 East 6th Street, Austin, Texas). See the Schedule of Events for the date and time. The pre-Proposal Conference will include an overview of the RFP and a presentation on the HUB Subcontracting Plan (HSP) requirements. A question and answer session will also take place regarding general, technical and HSP questions. Attendance at the pre-Proposal Conference is recommended, but not mandatory. A video of the pre-Proposal Conference will be posted on the Texas Lottery website at [www.txlottery.org](http://www.txlottery.org). All prospective Proposers are highly encouraged to view the video.*

### 2.4 Inquiries

**2.4.1** *Written inquiries concerning this RFP will be accepted and responses posted on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/> and the Texas Lottery website, [www.txlottery.org](http://www.txlottery.org), according to the timetable established in the Schedule of Events. Inquiries received after the deadlines set in the Schedule of Events may be reviewed by the Texas Lottery, but will not be answered. Any addenda or amendments, whether made as a result of a prospective Proposer's written inquiries or otherwise, will be posted on the Electronic State Business Daily, and the Texas*

Lottery website. It is the responsibility of the Proposer to check these websites for any additional information regarding this RFP.

- 2.4.2** *Inquiries shall be submitted by email and/or facsimile by the inquiry submission deadline. If there is any discrepancy between the electronic version (e-mail) and the printed version (facsimile) of a document, the printed version will control. Emailed inquiries shall be emailed to:*

*contracts@lottery.state.tx.us*

- 2.4.3** *A Proposer shall inquire in writing and should obtain clarification as to any ambiguity, conflict, discrepancy, exclusionary specification, omission or error in this RFP (collectively, "errors") prior to submitting a Proposal, but in no event shall be entitled to additional compensation, relief or time by reason of any error or its later correction. If a Proposer fails to obtain written clarification of any errors the Proposer shall submit a Proposal at its own risk; and, if awarded a Contract, the Proposer shall be deemed to have waived any claim to contest the Texas Lottery's interpretation thereof.*

## **2.5 Submission of Proposal**

- 2.5.1** *Proposals must be delivered to Angela Zgabay-Zgarba at the address provided in Section 2.1 and received no later than the deadline established in the Schedule of Events. No exceptions will be made.*

- 2.5.2** *The Proposer shall submit one (1) signed original and ten (10) copies of its Proposal. For Part 5 only, Proposers shall provide one (1) signed original and two (2) copies of all required HSP documentation. All Proposals submitted must be bound in a three-ring binder, organized and arranged to correspond directly with the numbered sections of this RFP, and all pages must be numbered. For Parts 1, 2, and 3 only, Proposers may provide a blanket acknowledgment and acceptance in lieu of a section-by-section response. For Parts 4, 6, 7 and 8 only, Proposers shall provide a section-by-section response to the RFP. For Part 5, Proposers shall follow the instructions for completing and submitting a HSP. If a Proposer is claiming any part(s) of its Proposal is confidential, the Proposer must provide a detailed response to Section 1.7. A Proposer may not amend a commitment to comply with a specific section of this RFP by a later reference back to that section.*

- 2.5.3** *The Proposer's Commitment (Attachment A) must be signed by an officer or agent of the Proposer with authority to contractually bind the Proposer, and the attachment must be included with the original Proposal.*

- 2.5.4** *Proposers are required to propose a complete solution to the Texas Lottery's requirements in their Proposal. Any items not specifically requested, but integral to the requested services, shall be included in the Proposal and identified in the appropriate sections thereof.*

- 2.5.5** *Proposers responding to this RFP must fully and completely address all goods, services and other requirements as described by this RFP. Incomplete or partial Proposals will not be considered. A Proposer shall provide all information that the Proposer believes would be helpful to the Texas Lottery in evaluating the Proposer's ability to fulfill the RFP requirements.*

- 2.5.6** *In addition to the printed Proposal, the Proposer must also submit one copy of the text portion of its Proposal, excluding the Cost Proposal, on a compact disk in a searchable PDF file. If there is any disparity between the contents of the printed Proposal and the contents of the Proposal contained in electronic format, the contents of the printed Proposal shall take precedence. The electronic or soft copy provided herein will not be accepted in lieu of the signed original and copies as required in Section 2.5.2.*

**2.5.7** *Proposals that have been copyrighted by any Proposer are unacceptable and may be rejected as non-responsive.*

## **2.6 Response Format & Contents**

*The Proposer must demonstrate its understanding of the requested goods and services and must address specifically, in writing, the Proposer's approach to providing each requirement in this RFP. Each Proposal must be organized in the manner described below:*

- (a) Letter of Transmittal;*
- (b) Executive Summary;*
- (c) Section-by-section response to the RFP (see Section 2.5.2 above); and,*
- (d) Sealed Cost Proposal (Attachment to original proposal only).*

## **2.7 Letter of Transmittal**

**2.7.1** *Proposers must submit a Letter of Transmittal that identifies the entity submitting the Proposal and includes a commitment by that entity to provide the goods and services required by the Texas Lottery in this RFP. The Letter of Transmittal must state that the Proposal is valid for one hundred and eighty (180) Days from the Day after the deadline for submitting Proposals. Any Proposal containing a term of less than one hundred and eighty (180) Days for acceptance shall be rejected. The Letter of Transmittal must be signed by a person(s) legally authorized to bind the Proposer to the representations in the Proposal. The Proposer should also indicate, in its Letter of Transmittal, why it believes it is the most qualified Proposer to provide the goods and services required by the Texas Lottery in this RFP.*

**2.7.2** *The Letter of Transmittal must include a statement of acceptance of the terms and conditions set forth in Part 3 of this RFP that will be included in any Contract resulting from this RFP. If the Proposer takes exception to any of the proposed terms and conditions, those exceptions must be noted in the Letter of Transmittal. The Proposer should realize, however, that failure to accept the terms and conditions specified in Part 3 of the RFP may result in disqualification of the Proposal.*

## **2.8 Executive Summary**

**2.8.1** *Proposers must provide an executive summary of their Proposal (excluding cost information) that asserts that the Proposer is providing, in its Proposal, all the requirements of this RFP. If the Proposer is providing goods or services beyond those specifically requested, those goods or services must be identified. If the Proposer is offering goods or services that do not meet the specific requirements of this RFP, but in the opinion of the Proposer are equivalent or superior to those specifically requested, any such differences must be noted in the Executive Summary. The Proposer should realize, however, that failure to provide the goods and services specifically required may result in disqualification.*

**2.8.2** *The Proposer must demonstrate its understanding of the requested goods and services and must address specifically, in writing, the Proposer's approach to providing each requirement in this RFP.*

**2.8.3** *The Executive Summary must not exceed five (5) pages and should represent a full and concise summary of the contents of the Proposal.*

## 2.9 Proposer's Contracting Authority

*The Proposer warrants and represents that the person named on the Proposer's Commitment (Attachment A) has the full right, power and authority to execute a Contract resulting from this RFP on behalf of the Proposer. Commitments must be unqualified, not limited, and fully commit the Proposer to provide the goods and services required under this RFP.*

## 2.10 Proposer's Cost Proposal

**2.10.1** *The Proposer must state its pricing for all goods and services rendered during the course of the proposed Contract, including any and all costs involved that are to be paid or reimbursed by the Texas Lottery. The pricing for the required services is to be presented only in the format set forth in Attachment H of the RFP. Pricing information shall include all costs associated with providing the required goods and services and must be submitted in a separate, sealed envelope clearly marked as such, attached to the original Proposal only. No reimbursement is available to the Successful Proposer beyond the amount agreed to be paid for the goods and services provided. Pricing agreed to in any resulting Contract shall be firm and remain constant through the life of the Contract.*

**2.10.2** *The Proposer shall not disclose its Cost Proposal or other cost information in the body of the written Proposal. Including cost information in the written Proposal may be cause for disqualification.*

## 2.11 Multiple Proposals

*The Proposer may submit only one Proposal. If a Proposer submits more than one Proposal, all Proposals from that Proposer may be rejected.*

## 2.12 Joint Proposals

*The Successful Proposer shall exhibit a thorough understanding of Texas as a minority-majority state and demonstrate the ability to effectively reach and communicate with the general and ethnic markets. The Texas Lottery is not predisposed to any particular solution or service delivery methodology, nor does the Texas Lottery intend to limit the creativity of interested parties in their efforts to best address the unique and specialized expertise required to successfully reach all Texans in ways that are relevant and meaningful. Two or more entities may collaborate to file a Proposal, but they must designate a single entity that will contract with the Texas Lottery and be responsible for the delivery of all goods, services and requirements set forth in the Proposal. All Proposals submitted shall completely define the responsibilities of the primary contractor and each participating Subcontractor(s).*

## 2.13 Changes, Modifications and Cancellation

*The Texas Lottery reserves the right to make changes to and/or cancel this RFP and will post all changes and modifications, whether made as a result of a potential Proposer's written inquiries or otherwise, and cancellation notices on the Electronic State Business Daily and the Texas Lottery web site. **It is the responsibility of the Proposer to check these web sites for any additional information regarding this RFP. If the Proposer fails to monitor the ESBDD and TLC web sites for any changes or modifications to the RFP, such failure will not relieve the Proposer of its obligation to fulfill the requirements as posted.***

## 2.14 Updates to Information Supporting a Proposal

*Following the submission of Proposals and prior to the signing of a Contract, the Proposer is under a continuing obligation to notify the Texas Lottery in writing of any updates or changes*

to information offered in support of its Proposal that might reasonably be expected to affect the Texas Lottery's consideration of the Proposal. Nothing in this Section shall be interpreted to permit the unilateral modification by a Proposer of its commitment to provide goods and services described in its Proposal as filed for the cost stated therein.

## **2.15 Additional Information**

By submitting a Proposal, a Proposer grants the Executive Director the right to obtain any information from any lawful source regarding the past history, practices, conduct, ability and eligibility under the State Lottery Act of a Proposer to supply goods, services and to fulfill requirements under this RFP, and the past history, practices, conduct, ability and eligibility of any director, officer or key employee of a Proposer. By submitting a Proposal, the Proposer generally releases from liability and waives all claims against any party providing information about the Proposer at the request of the Executive Director. Such information may be taken into consideration in evaluating Proposals.

## **2.16 Proposal Evaluation and Contract Award**

**2.16.1** The Executive Director intends to conduct a fair, comprehensive and impartial evaluation of all Proposals received in response to this RFP using an evaluation committee. The evaluation committee will be selected by the Executive Director and may consist of Texas Lottery employees or outside individuals with expertise in particular areas. In addition, the Texas Lottery's General Counsel, other in-house legal counsel, and outside legal counsel may assist by advising the evaluation committee. Texas Lottery employees and consultants may also assist in the process as technical non-voting members of the evaluation committee.

**2.16.2** Each member of the evaluation committee will independently score each Proposal responsive to this RFP. Evaluation committee members may seek, obtain and consider the opinions of other committee members or subject matter experts (including Texas Lottery staff, staff from other Texas agencies and consultants retained by the Texas Lottery) when evaluating and independently scoring particular areas of the Proposals.

**2.16.3** The evaluation committee may request clarification of information or representations in a Proposal before completing the initial evaluation. Requests for clarification and responses to requests for clarification will be in writing and will become part of the evaluation record.

**2.16.4** The procurement process will be conducted in accordance with 16 Texas Administrative Code § 401.101.

**2.16.5** At a minimum, the factors to be considered by the evaluation committee in evaluating Proposals shall include:

- (i) the proposer's price to provide the goods or services;
- (ii) the probable quality of the offered goods or services;
- (iii) The agency's evaluation of the likelihood of the proposal to produce the desired outcome for the agency, considering, among other criteria:
  - (I) the quality of the proposer's past performance in contracting with the agency, with other state entities, or with private sector entities;
  - (II) the qualifications of the proposer's personnel;
  - (III) the experience of the proposer in providing the requested goods or services;
  - (IV) the financial status of the proposer; and
- (iv) whether the proposer performed the good faith effort required by the HUB subcontracting plan, when the agency has determined that subcontracting is probable.

A copy of the scoring matrix is included as Attachment G.

**2.16.6** *A written notice of Contract Award will be sent to all Proposers immediately following execution of a written Contract.*

## **2.17 Oral Presentations**

**2.17.1** *Proposers shall be required to make oral presentations to the evaluation committee. See the Schedule of Events for dates and times.*

**2.17.2** *Proposers invited for an oral presentation, shall make an oral presentation under the following guidelines:*

- *30 minute set-up period*
- *One hour for the presentation*
- *30 minute question and answer period*
- *30 minute tear-down period*

*Proposers may be required, as part of the presentation, to respond to questions developed by the evaluation committee.*

**2.17.3** *The oral presentation must substantially represent material included in the original written Proposal, with emphasis placed on the creative response. Proposers will be provided with equal advance notice of oral presentation assignments and guidelines.*

**2.17.4** *In addition to members of the evaluation committee, Texas Lottery purchasing and contracts staff and legal counsel may be present during the oral presentations. Oral presentations will be held at the Texas Lottery Commission headquarters in Austin, Texas, and may be videotaped by the Texas Lottery.*

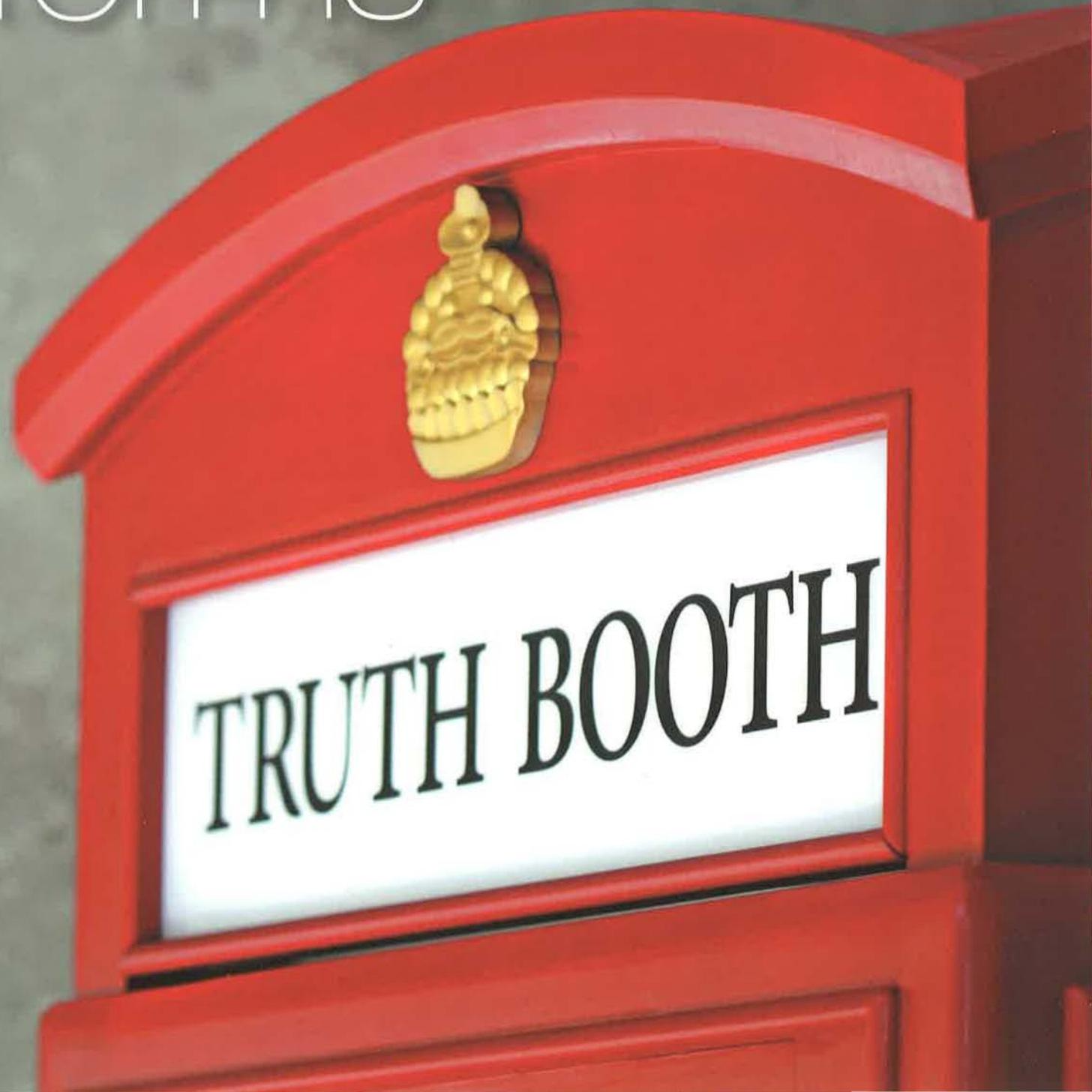
**2.17.5** *The Texas Lottery, in its sole discretion, reserves the right to conduct site visits prior to Contract Award.*

## **2.18 Protest Procedure**

*Any protest shall be governed by Texas Government Code ANN. § 466.101 and 16 Tex. Admin. Code §§ 401.102-103.*

TM Advertising has read, understands and will comply with the requirements outlined in this section titled Proposal Process.

- Contractual  
Terms





## 3. Contractual Terms and Conditions

### 3.1 Introduction

*This part sets forth terms and conditions applicable to the procurement process as well as terms and conditions that will become part of any Contract executed pursuant to this RFP. The Texas Lottery reserves the right to incorporate additional provisions in any Contract in the best interest of the Texas Lottery.*

### 3.2 Governing Law

*The procurement process, the award procedure, and any Contract resulting from this RFP shall be governed by, construed and interpreted in accordance with the applicable laws of the State of Texas. Any and all actions or suits brought by a Proposer or any related party regarding this RFP or any Contract resulting therefrom shall be brought in the state district court located in Austin, Travis County, Texas. By submitting a Proposal, a Proposer is deemed to waive the right to bring any action in any other court. This section is purely a venue provision and shall not be deemed a waiver of sovereign immunity.*

### 3.3 Contract Elements

#### 3.3.1

*Any Contract between the Texas Lottery and the Successful Proposer will follow the general format specified by the Texas Lottery. The Texas Lottery reserves the right to negotiate provisions in addition to those stipulated in this RFP. The contents of this RFP, as modified by published addenda, and the Successful Proposer's Proposal will be incorporated into the Contract. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the written Contract, the RFP, and the Successful Proposer's Proposal. Specific exceptions to this general rule may be noted in the written Contract.*

#### 3.3.2

*The Texas Lottery has determined that subcontracting opportunities are probable under this RFP. Therefore, the Texas Lottery requires the submission of an HSP as a part of each Proposal, as discussed further in Part 5 of this RFP. The HSP, if accepted by the Texas Lottery, will become a provision of any Contract awarded as a result of this RFP.*

#### 3.3.3

*If any term or provision of this RFP or a Contract executed pursuant to this RFP is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the RFP or Contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.*

### 3.4 Amendments

*Any Contract resulting from this RFP may be amended only by a written agreement signed by both parties.*

### 3.5 Waiver

*The failure of the Texas Lottery to object to or to take affirmative action with respect to any conduct of the Successful Proposer which is in violation or breach of the terms of any Contract resulting from this RFP shall not be construed as a waiver of the violation or breach, or of any future violation or breach.*

### **3.6 Clarification of Lottery's Intent**

*It is the responsibility of the Successful Proposer to address and resolve all questions with the Texas Lottery's designated staff members, and achieve a clear understanding of all Texas Lottery requirements during each stage of the Contract term. The Texas Lottery will use reasonable efforts to provide timely responses to questions of policy or procedure as they may affect the Successful Proposer's performance. Key Texas Lottery staff will be available to the Successful Proposer on a reasonable basis, but may not be available on State or national holidays, as defined in Section 662.003 of the Texas Government Code, or weekends. The Texas Lottery's normal office hours are from 8:00 a.m. to 5:00 p.m., Central Time, Monday through Friday of each week of the Contract term, except State holidays.*

### **3.7 Lottery's Financial Obligations**

*The financial obligations of the Texas Lottery under any Contract resulting from this RFP are payable solely out of the receipts of the Texas Lottery and are subject to statutory restrictions and appropriations. Performance by the Texas Lottery under any Contract resulting from this RFP is subject to acts of the Texas Legislature. The Texas Lottery shall have no responsibility or liability for any damages, losses, financial obligations, breach of contract, or other claims in the event that performance by the Texas Lottery is compromised or terminated by acts or omissions of the Texas Legislature (e.g., if the Texas Lottery is discontinued or not funded by the Texas Legislature).*

### **3.8 Relationship Of The Parties**

*The Successful Proposer and the Texas Lottery agree and understand that the Successful Proposer shall render the goods, services and requirements under any resulting Contract as an independent contractor, and nothing contained in the Contract will be construed to create or imply a joint venture, partnership, employer/employee relationship, principal-agent relationship or any other relationship between the parties. Employees of the Successful Proposer will not be considered employees of the Texas Lottery within the meaning of any federal, state, or local law, ordinance, or regulation including, but not limited to, laws, ordinances, or regulations concerning unemployment insurance, social security benefits, workers compensation, or withholding requirements. The Successful Proposer shall be responsible for complying with any such laws, ordinances, or regulations, and shall indemnify and hold harmless the Texas Lottery from any costs or damages, including attorney's fees, sustained by the Texas Lottery resulting from the Successful Proposer's breach of its obligations under this section. The Texas Lottery will withhold indemnified losses from payments to the Successful Proposer, or, if no payments are made, the Texas Lottery will make demand of payment of indemnified losses. The Successful Proposer must make payment within thirty (30) Days of the Texas Lottery's demand.*

### **3.9 Payment**

#### **3.9.1**

*All payments will be made in accordance with Texas Government Code ANN. ch. 2251 ("Payments for Goods and Services"). The Successful Proposer shall submit invoices in accordance with Section 7.15 and as prescribed by the Texas Lottery, noting the contract number, detailing services rendered and date of services. Payments will be made only upon the completion of services or after the delivery of goods authorized in an approved invoice. Invoices may be submitted by mail to the Texas Lottery Commission, P. O. Box 16630, Austin, Texas 78761-6630.*

#### **3.9.2**

*Pursuant to Texas Government Code ANN. Section 2251.025, interest is not due on a payment until it becomes "overdue." A payment is not "overdue" until the 31st day after the latter of: (1) the date the Texas Lottery receives the goods covered by the contract; (2) the date the performance of service under the contract is completed; or (3) the date the Texas Lottery receives an invoice for the goods or services. Tex. Gov't Code ANN. Section 2251.021. Services are "completed" when accepted by the Texas Lottery.*

**3.9.3** *The Successful Proposer agrees that if the Texas Comptroller of Public Accounts is prohibited from issuing a warrant to the Successful Proposer under Section 403.055 of the Texas Government Code, any payments owed to the Successful Proposer under any Contract resulting from this RFP will be applied towards the debt or delinquent taxes that the Successful Proposer owes the State of Texas until the debt or delinquent taxes are paid in full.*

**3.9.4** *The Successful Proposer acknowledges that the State of Texas requires consistent, high quality performance during the entire term of any Contract resulting from this RFP and during any transition to an alternate or successor provider. The Successful Proposer agrees that to ensure such consistent high quality performance, and an orderly transition to a new vendor, the Texas Lottery may withhold the last two (2) payments due under any Contract resulting from this RFP (the "Hold Back"). Following the successful transition to a new vendor, the Texas Lottery shall release the Hold Back to the Successful Proposer. If the Successful Proposer delays the transition, the Texas Lottery shall be entitled to retain the Hold Back or such portion as the Executive Director deems equitable.*

### **3.10 Assignments**

*No right or obligation of the Successful Proposer under any Contract may be assigned by the Successful Proposer without the prior written approval of the Texas Lottery, and in the event of any such approval, the terms and conditions hereof shall apply to and bind the party or parties to whom the right or obligation is assigned as fully and completely as the Successful Proposer is hereunder bound and obligated. No assignment shall operate to release the Successful Proposer from its liability for the timely and effective performance of its obligations hereunder. Assignments made in violation of this provision shall be null and void.*

### **3.11 Subcontracting**

**3.11.1** *The Successful Proposer is prohibited from subletting, conveying, assigning or otherwise disposing of all or any portion of any Contract resulting from this RFP, its rights, title, or interest therein, or its power to execute such agreement without the previous written approval of the Texas Lottery. If any part of any Contract between the Texas Lottery and the Successful Proposer is to be subcontracted, the Successful Proposer must obtain prior written approval from the Texas Lottery, and the Subcontractor must comply with all applicable requirements of the Texas Lottery. The Texas Lottery reserves the sole right to require the Successful Proposer to terminate any Subcontractor with or without cause.*

**3.11.2** *In the event the Texas Lottery approves of the use of any Subcontractor in performance of the Contract, the Successful Proposer is not relieved of its responsibility and obligation to meet all the requirements of this RFP.*

**3.11.3** *The Texas Lottery will incur no additional obligations and the obligations of the Successful Proposer will not be reduced as a result of any such subcontracts.*

**3.11.4** *The Successful Proposer agrees to indemnify and hold the Texas Lottery harmless from any of the claims or actions of its Subcontractors. The Texas Lottery will withhold indemnified losses from payments to the Successful Proposer, or, if no payments are made, the Texas Lottery will make demand of payment of indemnified losses. The Successful Proposer must make payment within thirty (30) Days of the Texas Lottery's demand.*

**3.11.5** *The Successful Proposer's obligation to pay Subcontractors is governed by Texas Government Code ANN. § 2251.022 ("Time for Payment by Vendor"), as it may be amended.*

## **3.12 Lottery Approval of Staffing**

**3.12.1** *The Successful Proposer shall not employ or contract with or permit the employment of unfit or unqualified persons or persons not skilled in the tasks assigned to them. The Successful Proposer shall at all times employ sufficient labor to carry out functions and services in the manner and time prescribed by any Contract awarded pursuant to this RFP. "Unfit" is defined as any person convicted of a felony, criminal fraud, gambling or gambling-related offense or a person convicted of a misdemeanor involving moral turpitude whose sentence, parole, mandatory supervision or probation ended less than ten (10) years ago. The Successful Proposer shall be responsible to the Texas Lottery for the acts and omissions of the Successful Proposer's employees, agents (including, but not limited to, lobbyists) and Subcontractors and the Successful Proposer shall enforce strict discipline among the Successful Proposer's employees, agents (including, but not limited to, lobbyists) and Subcontractors performing the services under the Contract.*

**3.12.2** *The Successful Proposer shall provide the Texas Lottery written notification and justification within three (3) Working Days of any personnel changes involving Proposer's personnel assigned to the Texas Lottery account.*

**3.12.3** *Notwithstanding anything herein to the contrary, any person employed by the Successful Proposer shall, at the written request of the Texas Lottery, and within the Texas Lottery's sole discretion, be removed forthwith by the Successful Proposer from work relating to the Contract.*

## **3.13 Background Investigations**

**3.13.1** *The Texas Lottery Commission may initiate investigations into the backgrounds of (a) the Successful Proposer; (b) any of the Successful Proposer's officers, directors, investors, owners, partners and other principals, as more particularly described in Texas Government Code ANN. § 466.155, (collectively, Successful Proposer Principals); (c) any of the Successful Proposer's employees; (d) any of the Successful Proposer's Subcontractors, or Subcontractors' officers, directors, investors, owners, partners, principals or employees (collectively, Subcontractor Personnel); or (e) any other associates of the Successful Proposer it deems appropriate. The Texas Lottery Commission may also request background information for a spouse, child, brother, sister or parent residing as a member of the same household in the principal place of residence of the Successful Proposer, any Successful Proposer Principals, or Successful Proposer employees described above. Such background investigations may include fingerprint identification by the Texas Department of Public Safety, the Federal Bureau of Investigation, and any other law enforcement agency. The Texas Lottery may terminate any Contract resulting from this RFP based solely upon the results of these background investigations.*

**3.13.2** *The Successful Proposer agrees that, during the term of the Contract and any renewal thereof, it shall be obligated to provide such information about any Successful Proposer Principals, Successful Proposer employees, and Subcontractor Personnel as the Texas Lottery may prescribe. The Successful Proposer also agrees that the Texas Lottery may conduct background investigations of such persons.*

**3.13.3** *Upon notification by the Texas Lottery to the Successful Proposer that the Texas Lottery objects to an employee based on a background investigation, the Successful Proposer shall prevent that employee from working on the Texas Lottery account and shall deny that employee access to the Texas Lottery systems.*

### **3.14 Compliance**

*The Successful Proposer agrees to comply with all applicable laws, rules and regulations, including without limitation those involving non-discrimination on the basis of race, color, religion, national origin, age, sex and disability.*

### **3.15 Term of Contract**

**3.15.1** *Any Contract resulting from this RFP will commence on the Contract execution date and continue through August 31, 2016 subject to the termination provisions in this RFP and subject to the Texas Lottery being continued and funded by the Texas Legislature.*

**3.15.2** *The Texas Lottery reserves the right to extend any Contract resulting from this RFP, at its sole discretion, for up to two (2) additional two-year periods, at the Contract rate or rates as modified during the term of the Contract.*

**3.15.3** *At the end of the initial term or any renewal period, the Texas Lottery reserves the right to extend any Contract resulting from this RFP, at its sole discretion, for up to three (3) additional months, in one month intervals, at the Contract rate or rates as modified during the term of this Contract.*

**3.15.4** *At the end of the Contract term, or upon earlier termination under any provision of this Contract, the Successful Proposer shall, in good faith and with reasonable cooperation, aid in the transition to any new arrangement and provider, if requested by the Texas Lottery.*

### **3.16 Termination at Will**

*The Texas Lottery, in its sole discretion, may terminate, in whole or in part, any Contract resulting from this RFP at will and without cause upon no less than thirty (30) Days' advance written notice. The Texas Lottery also may terminate any Contract immediately with written notice if the Executive Director, in his or her sole judgment, believes that the integrity or security of the Texas Lottery is in jeopardy and it is in the best interest of the Texas Lottery to do so. The Texas Lottery's right to terminate for convenience any Contract resulting from this RFP is cumulative of all rights and remedies which exist now or in the future.*

### **3.17 Termination for Cause**

*The Texas Lottery reserves the right to terminate, in whole or in part, any Contract resulting from this RFP upon no less than five (5) Days' notice upon the following conditions:*

- (a) A receiver, conservator, liquidator or trustee of the Successful Proposer, or of any of its property, is appointed by order or decree of any court or agency or supervisory authority having jurisdiction; or an order for relief is entered against the Successful Proposer under the Federal Bankruptcy Code; or the Successful Proposer is adjudicated bankrupt or insolvent; or any portion of the property of the Successful Proposer is sequestered by court order and such order remains in effect for more than thirty (30) Days after such party obtains knowledge thereof; or a petition is filed against the Successful Proposer under any state, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation, or receivership law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within thirty (30) Days, or*
- (b) The Successful Proposer files a case under the Federal Bankruptcy Code or is seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any case or petition against it under any such law, or*

- (c) *The Successful Proposer makes an assignment for the benefit of its creditors, or admits in writing its inability to pay its debts generally as they become due, or consents to the appointment of a receiver, trustee, or liquidator of the Successful Proposer or of all or any part of its property; or judgment for the payment of money in excess of \$50,000.00 (which is not covered by insurance) is rendered by any court or governmental body against the Successful Proposer, and the Successful Proposer does not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof within thirty (30) Days from the date of entry thereof, and within said 30-Day period or such longer period during which execution of such judgment shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal while providing such reserves therefore as may be required under generally accepted accounting principles; or a writ or warrant of attachment or any similar process shall be issued by any court against all or any material portion of the property of the Successful Proposer, and such writ or warrant of attachment or any similar process is not released or bonded within thirty (30) Days after its entry, or*
- (d) *A court of competent jurisdiction finds that the Successful Proposer has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or*
- (e) *The Successful Proposer fails to communicate with the Texas Lottery as required by the Contract, or*
- (f) *The Successful Proposer fails to remove any person from work relating to the Contract upon written notice from the Texas Lottery, or*
- (g) *The Successful Proposer breaches the RFP's standard of confidentiality with respect to this RFP or the goods or services provided thereunder, or*
- (h) *The Texas Lottery makes a written determination that the Successful Proposer has failed to substantially perform under the Contract and specifies the events resulting in the Texas Lottery's determination thereof, or*
- (i) *The Successful Proposer fails to comply with any of the terms, conditions or provisions of the Contract, in any manner whatsoever, or*
- (j) *The Successful Proposer engages in any conduct that results in a negative public impression including, but not limited to, creating even an appearance of impropriety with respect to the Texas Lottery, Texas Lottery games, the Successful Proposer, or the State of Texas.*

### **3.18 Termination for Impossibility of Performance**

*The Texas Lottery reserves the right to terminate, in whole or in part, any Contract resulting from this RFP upon no less than five (5) Days' notice upon any of the following conditions:*

- (a) *The failure of the Texas Legislature to appropriate funds to the Texas Lottery for any Contract resulting from this RFP.*
- (b) *Any act or omission by the Texas Legislature which renders performance by the Texas Lottery impossible.*

### **3.19 Termination Without Penalty**

*Pursuant to Texas Government Code ANN. § 466.014(c), the Executive Director is permitted to terminate any Contract entered into as a result of this RFP, without penalty, if an investigation reveals that the Successful Proposer would not be eligible for a sales agent license under Texas Government Code ANN. § 466.155.*

### **3.20 No Liability Upon Termination**

*If any Contract entered into as a result of this RFP is terminated for any reason, the Texas Lottery and the State of Texas shall not be liable to the Successful Proposer for any damages, losses, financial obligations, breach of contract, or any other claims or amounts arising from or related to any such termination. However, the Successful Proposer may be entitled to the remedies provided in Gov't Code, Chapter 2260.*

## **3.21 Warranties**

- 3.21.1** *The Successful Proposer warrants and agrees that it is lawfully organized and constituted under all applicable national, international, state and local laws, ordinances and other authorities of its domicile and is otherwise in full compliance with all legal requirements of its domicile.*
- 3.21.2** *The Successful Proposer warrants and agrees that it has the legal authority and capacity to enter into and perform any Contract resulting from its response to this RFP, and that it has the financial ability to perform its obligations under such Contract.*
- 3.21.3** *The Successful Proposer warrants and agrees that it has been duly authorized to operate and do business in all places where it will be required to do business under any Contract awarded pursuant to this RFP; that it has obtained or will obtain all necessary licenses and permits required in connection with such Contract; and that it will fully comply with all laws, decrees, labor standards and regulations of its domicile and wherever performance occurs during the term of such Contract.*
- 3.21.4** *The Successful Proposer warrants and agrees that it has no present interest and shall not acquire, or assign to any third party, any interest that would conflict in any manner with its duties and obligations under any Contract awarded pursuant to this RFP.*
- 3.21.5** *The Successful Proposer warrants and agrees that all goods and services it supplies in its performance under any Contract awarded pursuant to this RFP shall meet the performance standards required thereunder and shall be performed in a prompt, high quality, professional and competent manner using only qualified personnel.*
- 3.21.6** *The Successful Proposer warrants and agrees that it shall not take any action inconsistent with any of the terms, conditions, agreements, or covenants set forth in this RFP without the express written consent of the Texas Lottery.*
- 3.21.7** *The Successful Proposer warrants that it is eligible for a sales agent license under Texas Government Code ANN. § 466.155 (Chapter 466 is also known as the State Lottery Act).*
- 3.21.8** *The Successful Proposer warrants and agrees that it shall not sell, assign, lease, transfer, pledge, hypothecate, or otherwise dispose of any component of any goods or system proposed in response to the RFP or any interest therein, or permit any of it to become a fixture or accession to other goods or property.*
- All of the above warranties contained in this section 3.22 shall survive expiration or termination of the Contract.*

## **3.22 Licenses And Permits**

*The Successful Proposer shall obtain, maintain and pay for all licenses, permits and certificates including all professional licenses required by any statute, ordinance, rule or regulation. The Successful Proposer shall immediately notify the Texas Lottery of any suspension, revocation or other detrimental action against its licenses, permits or certificates.*

## **3.23 Successful Proposer Site Visits**

*The Texas Lottery shall have the free and unrestricted right, acting by itself or through its authorized representatives, to enter the premises of the Successful Proposer and any*

Subcontractors, and to enter any other sites involved in providing goods and/or services under any Contract resulting from this RFP, to examine their operations and to inspect and copy the records of the Successful Proposer and/or Subcontractors pertaining to goods and services provided under any Contract resulting from this RFP. The Successful Proposer agrees that the Successful Proposer and its Subcontractors shall implement all reasonable quality control and security procedures requested by the Texas Lottery or representatives as designated by the Texas Lottery. The Texas Lottery will use reasonable efforts not to disrupt the normal business operations of the Successful Proposer (or Subcontractor, as applicable) during site visits announced or unannounced.

## **3.24 Intellectual Property Rights**

**3.24.1 Ownership.** *As between the Successful Proposer and the Texas Lottery, the Works and Intellectual Property Rights in the Works are and shall be owned exclusively by the Texas Lottery, and not the Successful Proposer. The Successful Proposer specifically agrees that all Works shall be considered "works made for hire" and that the Works shall, upon creation, be owned exclusively by the Texas Lottery. To the extent that the Works, under applicable law, may not be considered works made for hire, the Successful Proposer hereby agrees that the Contract resulting from this RFP transfers, grants, conveys, assigns, and relinquishes exclusively to the Texas Lottery all right, title and interest in and to the Works, and all Intellectual Property Rights in the Works, without the necessity of any further consideration, and the Texas Lottery shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Works, subject to any exceptions with respect to pre-existing or third party rights as set forth below.*

**3.24.2 Ownership of Prior Rights by the Texas Lottery.** *All property and tangible or intangible items, including the Intellectual Property Rights therein, that were created, developed or owned by the Texas Lottery prior to the issuance of this RFP or execution of any Contract resulting therefrom (e.g., copyrights, trademarks, etc.) shall continue to be exclusively owned by the Texas Lottery, and the Successful Proposer shall have no ownership thereof, and no rights thereto, other than the limited, non-exclusive right to use such property or tangible and intangible items solely for the purposes set forth in this RFP or resulting Contract, if any, and only for the duration of such Contract.*

**3.24.3 Ownership of Prior Rights by the Successful Proposer.** *All property and tangible or intangible items, including the Intellectual Property Rights therein, that were created, developed or owned by the Successful Proposer prior to the issuance of this RFP shall continue to be exclusively owned by the Successful Proposer, and the Texas Lottery shall have no ownership thereof, and no rights thereto, other than the limited, non-exclusive right to use such property or tangible or intangible items solely for the purposes set forth in this RFP or resulting Contract, if any. All intellectual property relating to the goods and/or services set forth herein or under the Contract, including the Intellectual Property Rights in those goods and/or services, that was created, developed or licensed by the Successful Proposer prior to the issuance of this RFP or the execution of the Contract, or during the term of the Contract, to the extent such intellectual property is not considered "works" as defined above, shall be, and is, licensed to the Texas Lottery on a non-exclusive, perpetual, irrevocable, royalty-free, worldwide basis, to allow the Texas Lottery or its designees to provide, and continue to provide, the goods and services set forth herein or under the Contract, including after the expiration or termination of the Contract.*

**3.24.4 Further Actions.** *The Successful Proposer, upon request and without further consideration, shall perform any acts that may be deemed necessary or desirable by the Texas Lottery to evidence more fully the transfer of ownership of all Works to the Texas Lottery to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by the Texas Lottery. In the event the Texas Lottery shall be unable for any reason to obtain the Successful Proposer's signature on any document necessary for any purpose set forth in the foregoing sentence, the Successful Proposer hereby irrevocably designates and appoints the Texas Lottery and its duly authorized officers and agents as the Successful Proposer's agent and the Successful Proposer's attorney-in-fact to act for and*

in the Successful Proposer's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by the Successful Proposer.

**3.24.5 Waiver of Moral Rights.** *The Successful Proposer hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Works which the Successful Proposer may now have or which may accrue to the Successful Proposer's benefit under U.S. or foreign copyright laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Works and the right to object to any modification, translation or use of the Works, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.*

**3.24.6 Confidentiality.** *All Works and all materials forwarded to the Successful Proposer by the Texas Lottery for use in and preparation of the Works, shall be deemed the confidential information of the Texas Lottery, and the Successful Proposer shall not use, disclose, or permit any person to use or obtain the Works, or any portion thereof, in any manner without the prior written approval of the Texas Lottery.*

**3.24.7 Injunctive Relief.** *The RFP and Contract are intended to protect the Texas Lottery's proprietary rights pertaining to the Works, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to the Texas Lottery's business. Therefore, the Successful Proposer acknowledges and stipulates that a court of competent jurisdiction should immediately enjoin any material breach of the intellectual property, licensing, and confidentiality provisions of the RFP or Contract, upon a request by the Texas Lottery, without requiring proof of irreparable injury as same should be presumed.*

**3.24.8 Return of Works.** *Upon the request of the Texas Lottery, but in any event upon expiration or termination of any Contract resulting from this RFP, the Successful Proposer shall surrender to the Texas Lottery all documents and things pertaining to the Works, including but not limited to drafts, memoranda, notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by the Successful Proposer or furnished by the Texas Lottery to the Successful Proposer, including all materials embodying the Works, any Texas Lottery confidential information, or Intellectual Property Rights, regardless of whether complete or incomplete. This section is intended to apply to all Works made or compiled by the Successful Proposer, as well as to all documents and things furnished to the Successful Proposer by the Texas Lottery or by anyone else that pertains to the Works.*

**3.24.9 Successful Proposer's Name or Logo.** *The Successful Proposer shall not affix its company name, label, logo, or any other similar identifying information to or on any products, equipment or any other goods provided under any Contract resulting from this RFP.*

## **3.25 Pre-Existing And Third Party Rights**

**3.25.1** *To the extent that any pre-existing rights and/or third party rights or limitations are embodied, reserved or reflected in the Works, the Successful Proposer shall either (a) grant to the Texas Lottery the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such pre-existing rights and any derivative works thereof and (ii) authorize others to do any or all of the foregoing, or (b) where the obtaining of worldwide rights is not reasonably practical or feasible, provide written notice to the Texas Lottery of such pre-existing or third party rights or limitations, request the Texas Lottery's approval of such pre-existing or third party rights, obtain a limited right and license to use such pre-existing or third party rights on such terms as may be reasonably negotiated, and obtain the Texas Lottery's written approval of such*

*pre-existing or third party rights and the limited use of same. The Successful Proposer shall provide the Texas Lottery with documentation indicating a third party's written approval for the Successful Proposer to use any pre-existing or third party rights that may be embodied, reserved or reflected in the Works. The Successful Proposer shall indemnify, defend and hold the Texas Lottery harmless from and against any and all claims, demands, regulatory proceedings and/or causes of action, and all losses, damages, and costs (including attorneys' fees and settlement costs) arising from or relating to, directly or indirectly, any claim or assertion by any third party that the Works infringe any third party rights. The foregoing indemnity obligation shall not apply to instances in which the Texas Lottery either (y) exceeded the scope of the limited license that was previously obtained by the Successful Proposer and agreed to by the Texas Lottery, or (z) obtained information or materials, independent of the Successful Proposer's involvement or creation, and provided such information or materials to the Successful Proposer for inclusion in the Works, and such information or materials were included by the Successful Proposer, in an unaltered and unmodified fashion, in the Works.*

**3.25.2** *The Successful Proposer agrees that it shall have and maintain, during performance of any Contract arising from this RFP, written agreements with all employees, Subcontractors, or agents engaged by the Successful Proposer in performance hereunder, granting the Successful Proposer rights sufficient to support all performance and grants of rights by the Successful Proposer. Copies of such agreements shall be provided to the Texas Lottery promptly upon request.*

### **3.26 Remediation**

*If the Works or the Intellectual Property Rights therein become the subject of a lawsuit or claim of infringement, or the Successful Proposer becomes aware that such items are likely to become the subject of a lawsuit or claim of infringement, the Successful Proposer shall exercise one (1) of the following two (2) options in order to provide the Texas Lottery with continued and uninterrupted use of the Works and Intellectual Property Rights therein: (a) obtain for the Texas Lottery the right to continue the use of the alleged infringing Works at no additional cost to the Texas Lottery, or (b) obtain alternative, substitute or new Works for the allegedly infringing Works, which are of equivalent or superior quality to the allegedly infringing Works, at no additional cost to the Texas Lottery, and subject to the acceptance of the Texas Lottery in its sole discretion.*

### **3.27 Intellectual Property Search**

*The Successful Proposer, at its expense, shall conduct all appropriate intellectual property searches (e.g., full copyright, trademark or service mark or patent searches) for all proposed Works, to ensure that the proposed Works are protectable by the Texas Lottery and do not infringe the Intellectual Property Rights of any third person or entity. The Successful Proposer holds the Texas Lottery harmless from the infringement of such Works, as set forth above. The Texas Lottery retains the right and option to obtain or secure registration of the Works in its own name, and on its own behalf, without the substantive involvement of the Successful Proposer. The Texas Lottery will withhold indemnified losses from payments to the Successful Proposer, or, if no payments are made, the Texas Lottery will make demand of payment of indemnified losses. The Successful Proposer must make payment within thirty (30) Days of the Texas Lottery's demand.*

### **3.28 Personality Rights**

*The Successful Proposer hereby warrants and represents to the Texas Lottery that individuals or characters appearing or depicted in any advertisement have provided their written consent for the use of their persona or personality rights, including name, biographical information, picture, portrait, likeness, performance, voice and/or identity ("Personality Rights"), and have been compensated for such Personality Rights, if appropriate. If such permission has been obtained for a limited time, the Successful Proposer shall be responsible for any costs associated with claims resulting from the use of the Personality Rights after the expiration of those time limits. The Successful Proposer agrees to hold the Texas Lottery harmless from any claims, including, without limitation, claims for invasion of privacy, infringement of the right of publicity, libel, unfair competition,*

false advertising, intentional or negligent infliction of emotional distress, copyright or trademark infringement, and/or claims for attorney's fees, resulting from use of the Personality Rights.

### **3.29 Accounting Records**

*The Successful Proposer and its Subcontractors are required to maintain their books, records, information and other materials pertaining to any Contract awarded pursuant to this RFP in accordance with generally accepted accounting principles. These records shall be available to the Texas Lottery, its internal auditor or external auditors (and other designees) and the Texas State Auditor at all times during the Contract period and for a period of four (4) full years after (i) the expiration date of any Contract awarded pursuant to this RFP, or (ii) final payment under any Contract awarded pursuant to this RFP, whichever is later.*

### **3.30 Right to Audit**

*The Successful Proposer understands that acceptance of state funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or its designee, to conduct an audit, other assurance services or investigation in connection with those funds. The Successful Proposer further agrees to cooperate fully with the State Auditor's Office in the conduct of the audit, other assurance services or investigation, including providing all records requested. The Successful Proposer shall ensure that this provision concerning the State Auditor's Office's authority to audit state funds and the requirement to cooperate fully with the State Auditor's Office is included in any subcontracts it awards. Additionally, the State Auditor's Office shall at any time have access to and the rights to examine, audit, excerpt, and transcribe any pertinent books, documents, working papers, and records of the Successful Proposer relating to this Contract.*

### **3.31 Indemnification**

**3.31.1** *The Successful Proposer shall indemnify, defend and hold the Texas Lottery, its commission members, the State of Texas, and its agents, attorneys, employees, representatives and assigns (the "Indemnified Parties") harmless from and against any and all claims, demands, causes of action, liabilities, lawsuits, losses, damages, costs, expenses or attorneys' fees (collectively, "Claim"), and including any liability of any nature or kind arising out of a Claim for or on account of the Works, or other goods, services or deliverables provided as the result of any Contract resulting from this RFP, which may be incurred, suffered, or required in whole or in part by an actual or alleged act or omission of the Successful Proposer, or a Subcontractor of the Successful Proposer, or any person directly or indirectly employed by the Successful Proposer or a Subcontractor of the Successful Proposer, whether the Claim is based on negligence, strict liability, intellectual property infringement or any other culpable conduct, whether frivolous or not. The foregoing indemnity obligations of the Successful Proposer shall not apply to Claims arising out of or related to the exceptions (y) and (z) set forth in Section 3.26.1 above.*

**3.31.2** *The Successful Proposer's liability shall extend to and include all reasonable costs, expenses and attorneys' fees incurred or sustained by the Indemnified Parties in: (a) making any investigation and in prosecuting or defending any Claim arising out of or in connection with the Works, or other goods, services or deliverables provided under any Contract resulting from this RFP (including but not limited to any claim that all or any portion of the Works infringes the patent, copyright, trade secret, trademark, confidential information, or other Intellectual Property Rights of any third party); (b) obtaining or seeking to obtain a release therefrom; or (c) enforcing any of the provisions contained in this RFP or the Contract. The Texas Lottery will withhold all indemnification costs and related expenses and fees (incurred or sustained by the Indemnified Parties) from payments to the Successful Proposer under any Contract resulting from this RFP, or if no contract payments are to be made, the Texas Lottery will make demand of payment from the Successful Proposer or seek recovery against the Successful Proposer's Performance Bond. The Indemnified Parties, upon giving notice to the Successful Proposer, shall have the right in good faith to pay, settle or compromise, or litigate any Claim under the belief that the Claim is*

*well founded, whether it is or not, without the consent or approval of the Successful Proposer. The Texas Lottery has sole discretion as to the choice and selection of any attorney who may represent the Texas Lottery. To the extent that the Successful Proposer makes any payments to or on behalf of the Indemnified Parties under the Contract, and to the extent permissible by law, the Successful Proposer shall be fully subrogated to all rights and claims of the Indemnified Parties in connection therewith. In any event, the Indemnified Parties shall provide reasonable notice to the Successful Proposer of any Claim known to the Indemnified Parties to arise out of the Contract.*

### **3.32 Bonds And Insurance**

*All required bonds and insurance must be issued by companies or financial institutions which are financially rated Excellent or better as rated by A.M. Best Company and duly licensed, admitted, and authorized to do business in the State of Texas. The Texas Lottery shall be named as the obligee in each required bond. Each insurance policy, except those for workers' compensation, employer's liability and professional liability, must name the Texas Lottery (and its officers, agents and employees) as an additional insured on the original policy and all renewals or replacements. Insurance coverage must include a waiver of subrogation in favor of the Texas Lottery, its officers, and employees for bodily injury (including death), property damage or any other loss. The insurance shall be evidenced by delivery to the Texas Lottery of certificates of insurance executed by the insurer or its authorized agency stating coverage, limits, expiration dates, and compliance with all applicable required provisions. Upon request, the Texas Lottery shall be entitled to receive, without expense, certified copies of the policies and all endorsements. Except as otherwise expressly provided herein, required coverage must remain in full force and effect throughout the term of the Contract and any extensions thereof, and provide adequate coverage for incidents discovered after termination of the Contract. Insurance coverage shall not be canceled, non-renewed or materially changed except after thirty (30) Days' notice by certified mail to the Texas Lottery. The Successful Proposer must submit original certificates of insurance for each required insurance contract, and any renewals thereof, within fifteen (15) Days after contract execution. Renewal certificates shall be submitted prior to or within fifteen (15) Days after expiration of the existing policy. Proposers must submit required bonds when and as provided in sections of this RFP outlining bond requirements.*

### **3.33 Self Insurance**

*The Successful Proposer may not elect to provide entirely or in part for the insurance/bond protections described in this RFP through self-insurance. A deductible provision contained in an insurance policy that meets the requirements of this RFP is not considered as self-insurance unless the deductible amount exceeds five percent (5%) of the face amount of the insurance policy.*

### **3.34 Performance Bond**

**3.34.1** *The Successful Proposer shall provide an original performance bond (as shown in Attachment F attached hereto and incorporated for all purposes) in the amount of one million six hundred twenty five thousand dollars (\$1,625,000) within fifteen (15) Days of execution of the Contract. Failure to have and keep a bond in place shall constitute a breach of any Contract entered into as a result of this RFP.*

**3.34.2** *The bond must be maintained in full force and effect for the initial term and any renewal term of the Contract. The bond shall be forfeited to the Texas Lottery if the Successful Proposer fails to perform as required by the Contract, pay sanctions or liquidated damages, or indemnify the Texas Lottery.*

### **3.35 General Liability Insurance**

*The Successful Proposer must maintain general liability insurance coverage with limits of not less than one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000) general aggregate, two million dollars (\$2,000,000) products/completed operations aggregate, five hundred thousand dollars (\$500,000) personal and advertising injury and fifty thousand dollars (\$50,000) fire damage. Professional Liability coverage must be included or provided through a separate policy as described in Section 3.38.*

### **3.36 Workers' Compensation & Employers Liability Insurance**

*The Successful Proposer must maintain Workers' Compensation insurance coverage in accordance with statutory limits, and Employers Liability insurance coverage with minimum limits for bodily injury:*

- (a) by accident, \$100,000 per each accident; and*
- (b) by disease, \$100,000 per employee with a per policy aggregate of \$500,000. Coverage must include a waiver of subrogation in favor of the Texas Lottery Commission, its officers and employees.*

### **3.37 Professional Liability (Errors and Omissions) Insurance**

*The Successful Proposer must maintain professional liability (including errors and omissions) insurance coverage for the rendering of, or failure to render, professional services with minimum limits of one million dollars (\$1,000,000) per occurrence, to be in full force and effect during the term of the Contract, including any extension thereof and one year thereafter. Coverage must indemnify the Texas Lottery for direct loss due to errors and omissions caused by the Successful Proposer, its officers, employees, agents, or Subcontractors of the Successful Proposer regardless of negligence.*

### **3.38 Property Insurance**

*The Successful Proposer must maintain insurance on all buildings, furniture, fixtures, computer and communications equipment used in operating and supporting the Successful Proposer's operations in an amount equal to or greater than the actual replacement cost thereof. Coverage must include an All Risk Property Floater to insure personal property including contents, equipment, and mobile items against fire, theft, collision, flood, etc. The Texas Lottery will not be responsible for insuring any equipment or facilities included in or associated with the Successful Proposer's operations.*

### **3.39 Crime Insurance**

*The Successful Proposer must maintain crime insurance with a limit of not less than one million dollars (\$1,000,000) protecting the Texas Lottery against losses resulting from fraudulent or dishonest acts by the Successful Proposer, a subcontractor of the Successful Proposer, or any officer, director, employee or agent of either.*

### **3.40 Disclosure of Litigation**

*The Proposer must include in its Proposal a complete disclosure of any material civil or criminal litigation or indictment either threatened or pending involving the Proposer. "Threatened litigation" as used herein shall include governmental investigations and civil investigative demands. "Litigation" as used herein shall include administrative enforcement actions brought by governmental agencies. The Proposer must also disclose any material litigation threatened or pending involving Subcontractors, consultants, and/or lobbyists. For purposes of this section, "material" refers to, but is not limited to, any action or pending action that a reasonable person knowledgeable in the gaming industry would consider relevant to any gaming operation or any development such a person would want to be aware of in order to stay fully apprised of the*

total mix of information relevant to the gaming industry and its operations, together with any litigation threatened or pending that may result in a substantial change in the Proposer's financial condition, as described in Section 4.6. This is a continuing disclosure requirement, any litigation commencing after submission of a Proposal (and for the Successful Proposer, after Contract Award) must be disclosed in a written statement to the Texas Lottery's General Counsel within fifteen (15) Days of its occurrence.

The Successful Proposer shall be required to file with the Texas Lottery comprehensive monthly reports regarding all threatened or pending litigation involving the Successful Proposer's Texas operations and all threatened or pending litigation that may be considered material to the overall operations of the Successful Proposer.

### **3.41 Changes in Ownership**

During the term of any Contract resulting from this RFP or any extension or renewal thereof, the Successful Proposer shall notify the Texas Lottery in writing of any substantial change in the ownership or control of the Successful Proposer as soon as possible, but no later than fifteen (15) Days after its occurrence.

### **3.42 Force Majeure/Delay of Performance**

**3.42.1** Except as otherwise provided, neither the Successful Proposer nor the Texas Lottery shall be liable to the other for any delay in, or failure of performance of, any covenant contained herein caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance in the exercise of reasonable diligence until after the causes of delay or failure have been removed. For purposes of this RFP and any Contract resulting therefrom, "force majeure" is defined as "an act of God or any other cause of like kind not reasonably within a party's control and which, by the exercise of due diligence of such party, could not have been prevented or is unable to be overcome." The Successful Proposer must inform the Texas Lottery in writing within three (3) Days of the existence of any such force majeure or otherwise waives this right as a defense.

**3.42.2** The Successful Proposer shall immediately upon discovery notify the Executive Director in writing of any delays in performance regardless of responsibility, fault or negligence. If the Successful Proposer contends that the delay is the responsibility, fault or negligence of Texas Lottery staff, the Successful Proposer must provide written notice within three (3) Days of the discovery, and to the extent possible, identify the event or individual responsible so that the Executive Director may take appropriate action to remedy the situation. Failure to provide such notice to the Executive Director as required in this Section 3.43 shall constitute a waiver of the Successful Proposer's right to assert the Texas Lottery's action/inaction as a defense.

### **3.43 Taxes, Fees and Assessments**

**3.43.1** The Texas Lottery shall have no responsibility whatsoever for the payment of any federal, state or local taxes which become payable by the Successful Proposer or its Subcontractors, or their agents, officers or employees. The Successful Proposer shall pay and discharge when due all such taxes, license fees, levies, and other obligations or charges of every nature.

**3.43.2** The Successful Proposer shall be responsible for payment of all taxes attributable to any Contract awarded pursuant to this RFP and any and all such taxes shall be identified under the Successful Proposer's federal tax identification number. The Successful Proposer shall pay all federal, state and local taxes of any kind, including without limitation income, franchise, ad valorem personal property, sales, use, lease, payroll, consumption, distribution and storage taxes, for the goods, services and systems relating thereto provided by the Successful Proposer,

whether or not such taxes are in effect as of the date the Contract resulting from this RFP is signed or scheduled to go into effect, or become effective during the initial term and any and all renewal terms, if any.

### **3.44 News Releases**

*The Successful Proposer shall not issue any news releases or publish information to the public pertaining to this procurement process or the performance of any Contract awarded by the Texas Lottery without prior written approval of the Texas Lottery. For any required disclosure or any public release of information of any kind, including a nonrequired disclosure, that is under a deadline imposed by any statutory or regulatory authority, the Successful Proposer shall seek approval from the Texas Lottery no less than two (2) Working Days prior to the deadline for the release of the information. In any case in which a deadline for the release of information exists, approval of the release by the Texas Lottery shall neither be construed as an endorsement of the release, as assent to the content of the release, as an indication of the accuracy of the information in the release, nor as any admission of any kind regarding any subject covered in the release.*

### **3.45 Advertising**

*The Successful Proposer agrees not to use the Texas Lottery's name, logos, images, nor any data or results arising from this procurement process or Contract awarded pursuant to this RFP as a part of any commercial advertising, or to promote the Successful Proposer in another jurisdiction's procurement process, without prior written approval by the Texas Lottery.*

### **3.46 Hiring of Texas Lottery Personnel**

**3.46.1** *At all times following issuance of this RFP and ending with either the award of a Contract or the rejection of all Proposals, prospective Proposers are prohibited from officially or unofficially making any employment offer or proposing any business arrangement whatsoever to any Texas Lottery employee involved in the evaluation of Proposals, the Contract Award, or contract negotiations. A prospective Proposer making such an offer or proposition may be disqualified from further consideration.*

**3.46.2** *At all times following the issuance of this RFP and ending with either the award of a Contract or the rejection of all Proposals, Proposers shall not engage the services of any State of Texas employee while such person remains employed by the State without the written consent of the Texas Lottery. During the term of the Contract, the Successful Proposer shall not engage the services of any State of Texas employee while such person remains employed by the State without the written consent of the Lottery.*

### **3.47 Hiring of Lobbyist, Consultant and/or Advisor; Supplemental Information**

*The Proposer shall list the names, addresses and telephone numbers for all lobbyists, consultants, and/or advisors who will perform services related to the Proposer's operations or interests in the State of Texas, pursuant to previously executed contracts, or during the three (3) years prior to the issuance of the RFP, who have performed services related to the Proposer's operations or interests in the State of Texas for the Proposer or any Subcontractors of the Proposer. The Proposer shall immediately notify the Texas Lottery in the event of change of lobbyist, consultant, or advisor information.*

### **3.48 Notices**

*The Proposer shall indicate in its Proposal the name and address of the person to whom any notices shall be given. Notices to the Texas Lottery shall be made by personal delivery or by certified (or registered) mail return receipt requested to the Texas Lottery at the address below unless the Proposer is notified in writing by the Texas Lottery of any change:*

Texas Lottery Commission  
Attention: Contracts Administration  
P.O. Box 16630  
Austin, Texas 78761-6630  
Fax (512) 344-5058  
Contracts@lottery.state.tx.us

### **3.49 Non-Disclosure**

*The Successful Proposer shall maintain as confidential, and shall not disclose to third parties without the Texas Lottery's prior written consent, any Texas Lottery information including but not limited to the Texas Lottery's business activities, practices, systems, conditions, products, services, public information and education plans and related materials, and game and marketing plans.*

### **3.50 Usufruct**

*If, for any reason other than breach of contract by the Texas Lottery, the Successful Proposer should lose its ability to service a Contract resulting from this RFP, the Texas Lottery shall acquire a usufruct in all contractual items owned by the Successful Proposer in conjunction with the Contract and which are necessary to provide such services. Said usufruct shall be limited to the right of the Texas Lottery to possess and make use of such contractual items solely for the use and benefit of the Texas Lottery in operating, maintaining, altering, replacing and improving the programs and systems being used by the Texas Lottery under the Contract. Such usufruct shall be limited in time to the duration of the Contract and any extension thereof, and in scope for programs, systems, and other items being used by the Texas Lottery under the Contract.*

### **3.51 Ticket Purchase**

**3.51.1** *In accordance with Texas Government Code ANN. § 466.254 (Purchase of Ticket by or Payment of Prize to Certain Persons), no member, officer or employee of the Successful Proposer directly involved in selling or leasing the goods or performing the services that are subject of the Contract shall purchase a Texas Lottery ticket or be paid a prize in any Texas Lottery game. No spouse, child, brother, sister, or parent of such member, officer or employee who resides in the household of such member, officer or employee (collectively, "Family Members"), shall purchase a Texas Lottery ticket or be paid a prize in any Texas Lottery game. The Successful Proposer shall ensure that these statutory prohibitions are made known to each member, officer and employee of the Successful Proposer, prior to that person becoming involved in selling or leasing the goods or performing the services that are the subject of the Contract. The Successful Proposer shall require its members, officers and employees to make the statutory prohibition known to Family Members. The Successful Proposer shall promptly notify the Texas Lottery of any violation of Texas Government Code ANN. § 466.254.*

**3.51.2** *TLC considers "directly involved" to mean, by way of illustration only, responsible for and/or actively participating in (1) Contract negotiations (including Contract signatories); (2) Contract administration (e.g., regular or direct contact with TLC staff); or (3) Contract performance (including assigned project/team leaders and members and anyone else who oversees or performs the work or provides the services). Again, by way of illustration, support staff (such as clerical, accounting or delivery employees) are not considered to be "directly involved" unless they also serve in the roles listed above for "directly involved" employees.*

## **3.52 Liquidated Damages**

### **3.52.1 General.** *It is agreed by the Texas Lottery and the Successful Proposer that:*

- (1) If the Successful Proposer does not provide or perform the requirements referred to or listed in this RFP or fulfill the obligations of the Contract, damage to the Texas Lottery will result;*
- (2) establishing the precise measure of damages in the event of default by the Successful Proposer may be (i) costly, (ii) time consuming, or (iii) difficult or impossible to calculate;*
- (3) the liquidated damage assessments contained herein represent a good faith effort to quantify the damages that could reasonably be anticipated at the time of execution of the Contract;*
- (4) the damages set forth herein are just and reasonable;*
- (5) nothing contained in this section shall be construed as relieving the Successful Proposer from performing all Contract requirements whether or not said requirements are set forth herein; and*
- (6) the Texas Lottery may, therefore, in its sole discretion, deduct damages from the compensation otherwise due to the Successful Proposer. All assessments of damages shall be within the sole discretion of the Texas Lottery.*

**3.52.2 Liquidated Damages Assessment.** *Once the Texas Lottery has determined that liquidated damages are to be assessed, the Executive Director or Executive Director's designee shall notify the Successful Proposer of the assessment(s). Failure to notify does not impact the Texas Lottery's assessment of damage and is not a condition precedent thereto. The Texas Lottery will withhold liquidated damages from payments to the Successful Proposer, or, if no payments have been made, the Texas Lottery will make demand of payment of liquidated damages. The Successful Proposer must make payment within thirty (30) Days of the Texas Lottery's demand. In the event the Successful Proposer fails to pay within the thirty (30) day period, the Texas Lottery may then make a claim for payment against the performance bond, with or without notice to the Successful Proposer.*

**3.52.3 Failure to Assess Liquidated Damages.** *The failure of the Texas Lottery to assess liquidated damages in any instance where the Texas Lottery is entitled to liquidated damages pursuant to the terms of this RFP shall not constitute waiver in any fashion of the Texas Lottery's rights to assessment of liquidated damages.*

**3.52.4 Severability of Individual Liquidated Damages Clauses.** *If any portion of this liquidated damages provision is determined to be unenforceable, the other portions of this provision shall remain in full force and effect.*

**3.52.5 Failure to Meet Production Deadlines.** *The failure of the Successful Proposer to meet production deadlines and to adhere to fixed timelines for broadcast media air dates, campaigns, print ads, point-of-sale, or other events under the Contract may result in the assessment of liquidated damages in the amount of one thousand dollars (\$1,000) for each Day of delay, or any part thereof.*

## **3.53 Sanctions And Remedies Schedule**

**3.53.1 General.** *Section 2261.101 of the Texas Government Code requires that all state contracts contain a remedies schedule, a graduated sanctions schedule, or both. Pursuant to that statutory provision, sanctions and remedies will apply for the incidents specified in this section. The sanctions and remedies will be referred to as "sanctions."*

- 3.53.2 Assessment of Sanctions.** *Once the Texas Lottery has determined that sanctions are to be assessed, the Executive Director or Executive Director's designee may notify the Successful Proposer of the assessment(s). Failure to notify does not impact the Texas Lottery's assessment of sanctions and is not a condition precedent thereto. The Texas Lottery will withhold sanctions from payments to the Successful Proposer; or, if no payments are to be made, the Texas Lottery will make demand of payment of sanctions. The Successful Proposer must make payment within thirty (30) Days of the Texas Lottery's demand. In the event the Successful Proposer fails to pay within the thirty (30) day period, the Texas Lottery may make a claim for payment against the performance bond, with or without notice to the Successful Proposer.*
- 3.53.3 Failure to Assess Sanctions.** *The failure of the Texas Lottery to assess sanctions in any instance where the Texas Lottery is entitled to sanctions pursuant to the terms of this RFP shall not constitute waiver in any fashion of the Texas Lottery's rights to assess sanctions.*
- 3.53.4 Severability of Individual Sanctions Clause.** *If any portion of this sanctions provision is determined to be unenforceable, the other portions of this provision shall remain in full force and effect.*
- 3.53.5 Failure to Cooperate with and/or Produce Records or Information as part of Background Investigation.** *The failure of the Successful Proposer to cooperate with and/or produce records or information as part of a background investigation conducted pursuant to Section 4.6 of this RFP may result in the Successful Proposer being assessed sanctions in the amount of one hundred dollars (\$100) per Day for each Day the records/information are not produced or answers are not provided.*
- 3.53.6 Failure to Disclose Litigation.** *The failure of the Successful Proposer to disclose litigation as required by Section 3.41 of this RFP may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1000) per incident.*
- 3.53.7 Failure to Obtain Prior Written Approval before Issuing News Release.** *The failure of the Successful Proposer to comply as required by Section 3.45 of this RFP regarding the issuance of news releases may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1000) per incident.*
- 3.53.8 Purchase of Texas Lottery Tickets.** *The failure of the Successful Proposer to comply with the requirements of Section 3.52 of this RFP regarding the purchase of Texas Lottery tickets may result in the Successful Proposer being assessed sanctions in the amount of five thousand dollars (\$5000) per incident.*
- 3.53.9 Failure to Report Significant Incidents and Anomalies and/or to Comply with the RFP Code of Conduct Requirements.** *The failure of the Successful Proposer to report all significant incidents and anomalies to the Texas Lottery as required by Section 3.66 of this RFP may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1000) per Day for each Day not reported. The failure of the Successful Proposer to comply with the code of conduct requirements in Section 3.64 of this RFP may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1000) per incident.*
- 3.53.10 Failure to Notify the Texas Lottery of a Change in Financial Condition or Change of Ownership.** *The failure of the Successful Proposer to notify the Texas Lottery of a change in financial condition or change of ownership or control as required by this RFP may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1000) per incident.*

**3.53.11 Failure to Permit an Examination, Produce Requested Records/Information or Reports, or Provide an Answer Timely.** Notwithstanding anything herein to the contrary and except as otherwise provided above, the failure of the Successful Proposer to permit an examination, produce requested records/information or reports, or provide an answer timely, as required by this RFP, may result in the Successful Proposer being assessed sanctions in the amount of one hundred dollars (\$100) per Day for each Day the examination is not permitted, the records/information or reports are not produced, or the answer is not provided.

**3.53.12 Unauthorized Release of Media Materials.** The unauthorized release of media materials for broadcast or publication without the Texas Lottery's prior written approval may result in the Successful Proposer being assessed sanctions in the amount of ten thousand dollars(\$10,000) per incident.

**3.53.13 Unauthorized Disclosure.** The failure of the Successful Proposer to comply with the nondisclosure requirement in Section 3.50 of this RFP may result in the Successful Proposer being assessed sanctions in the amount of five thousand dollars (\$5,000) for each unauthorized disclosure.

**3.53.14 Failure to Provide Written Notification of Staffing Changes Timely.** The failure of the Successful Proposer to provide written notification of staffing changes as required by Sections 6.4.2 and 3.13.2 may result in the Successful Proposer being assessed sanctions in the amount of one hundred dollars (\$100) per Day for each Day the written notification is not received.

**3.53.15 Failure to Provide Advertising and Media Plans Timely.** The failure of the Successful Proposer to provide advertising and media plans as required by Section 7.3 may result in the Successful Proposer being assessed sanctions in the amount of one thousand dollars (\$1,000) per incident, plus five hundred dollars (\$500) per Day for each Day after the due date until the plan(s) is provided by the Successful Proposer and accepted by the Texas Lottery.

**3.53.16 Failure to Provide Reports Required under RFP Section 7.5 Timely.** The failure of the Successful Proposer to provide reports as required by Section 7.5 may result in the Successful Proposer being assessed sanctions in the amount of five hundred dollars (\$500) per incident, plus one hundred dollars (\$100) per Day for each day after the due date until the report(s) is provided by the Successful Proposer and accepted by the Texas Lottery.

**3.53.17 Missing/Incomplete Intellectual Property Search.** The failure of the Successful Proposer to adequately conduct an intellectual property search as required by this RFP may result in the Successful Proposer being assessed sanctions in an amount equal to the cost of the Works (whether finished or in production stages) plus any additional expenses associated with expediting the production of replacement Works. The foregoing is in addition to and shall not supplant the other rights and remedies accorded to TLC, or the obligations of the Successful Proposer in the event of a Claim.

## **3.54 Dispute Resolution**

The dispute resolution process provided for in Texas Government Code Chapter 2260 and 16 Texas Administrative Code Ch. 403 must be used by the Successful Proposer to attempt to resolve any disputes brought by the Successful Proposer arising under this Contract.

## **3.55 Certifications**

**3.55.1** Pursuant to Texas Government Code ANN. § 466.103, the Executive Director may not award a contract for the purchase or lease of facilities, goods or services related to lottery operations to a person who would be denied a license as a sales agent under Texas Government Code ANN. § 466.155. All Proposers must read and be familiar with Texas Government Code ANN. § 466.155, attached hereto as Attachment D. All Proposals shall include a completed Background Information Certification Form, attached hereto as Attachment D-1, which certifies that the Proposer has reviewed Texas Government Code ANN. § 466.155 and neither the Proposer nor any of the following persons would be denied a license as a sales agent pursuant to said section: (a) Proposer's officers, directors, investors, owners, partners and other principals, as more particularly described in Texas Government Code ANN. § 466.155 (collectively, Proposer Principals); or (b) any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of residence of the Proposer or any of the Proposer Principals.

**3.55.2** Under § 231.006 of the Texas Family Code, the Proposer certifies that the individual or business entity named in the Proposal or Contract is not ineligible to receive the specified grant, loan or payment and acknowledges that any Contract resulting from this RFP may be terminated and payment may be withheld if this certification is inaccurate. Furthermore, any Proposer subject to Section 231.006 must include names and social security numbers of each person with at least 25% ownership of the business entity submitting the Proposal. This information must be provided prior to Contract Award.

**3.55.3** Under Section 2261.053 of the Texas Government Code, a state agency may not accept a bid or award a contract that includes proposed financial participation by a person who, during the five year period preceding the date of the bid or award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005. In submitting a Proposal under this RFP, the Proposer certifies as follows: "Under Section 2261.053 of the Texas Government Code, the contractor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate."

**3.55.4** The Proposer certifies that: (a) the Proposer has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Proposal; and (b) neither the Proposer nor the firm, corporation, partnership, or institution represented by the Proposer, nor anyone acting for such firm, corporation, partnership, or institution has violated the antitrust laws of the State of Texas (Tex. Bus. & Comm. Code Sec. 15.01, et seq.), or the antitrust laws of the United States (15 U.S.C.A. Section 1, et seq.), nor communicated directly or indirectly the submitted Proposal to any competitor or any other person engaged in such line of business.

**3.55.5** The Proposer certifies that it is in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003 of the Government Code, relating to contracting with the executive head of a state agency. If Section 669.003 applies, the Proposer will complete the following information in order for the Proposal to be evaluated:

Name of Former Executive  
Name of State Agency  
Date of Separation from State Agency  
Position with Proposer  
Date of Employment with Proposer

**3.55.6** *By signing this Proposal, the Proposer certifies that if a Texas address is shown as the address of the Proposer, the Proposer qualifies as a Texas Resident Bidder as defined in Texas Administrative Code, Title 34, Part 1, Chapter 20.*

**3.55.7** *The Texas Lottery is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.*

**3.55.8** *Pursuant to Section 2155.004 of the Texas Government Code, the Proposer has not received compensation from the Texas Lottery for participating in the preparation of the specifications for this RFP and certifies as follows: "Under Section 2155.004, Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate."*

### **3.56 Preferences**

*Any bidder or Proposer entitled to a preference(s) under Texas law shall claim the preference(s) in its Proposal.*

### **3.57 Deceptive Trade Practices; Unfair Business Practices**

*The Successful Proposer represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Tex. Bus. & Com. Code, Chapter 17, or allegations of any unfair business practice in any administrative hearing or court suit and that the Successful Proposer has not been found to be liable for such practices in such proceedings. The Successful Proposer certifies that it has no officers who have served as officers of other entities that have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.*

### **3.58 Immigration**

*The Successful Proposer represents and warrants that it shall comply with the requirements of the Immigration Reform and Control Act of 1986, the Immigration Act of 1990 and the Illegal Immigrant Reform and Immigrant Responsibility Act of 1996 regarding employment of any individual who will perform labor or services under any Contract entered into as a result of this RFP.*

### **3.59 ELECTRONIC AND INFORMATION RESOURCES ACCESSIBILITY STANDARDS, AS REQUIRED BY 1 TAC CHAPTER 213 (APPLICABLE TO STATE AGENCY AND INSTITUTIONS OF HIGHER EDUCATION PURCHASES ONLY).**

**3.59.1** *Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.*

**3.59.2** *The Successful Proposer shall provide DIR with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Proposers not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide DIR with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.*

### **3.60 False Statements; Breach of Representations**

*By submitting a Proposal, the Proposer makes all the representations, warranties, guarantees, certifications and affirmations included in its Proposal. If a Proposer signed its Proposal with a false statement or is selected as the Apparent Successful Proposer and signs any Contract resulting from this RFP with a false statement, or it is subsequently determined that Proposer has violated any of the representations, warranties, guarantees, certifications or affirmations included in the RFP or resulting Contract, the Proposer shall be in default and if the determination is made before Contract Award, the Texas Lottery may reject the Proposal or if the determination is made after Contract Award, the Texas Lottery may terminate the Contract for cause and pursue all other remedies available to the Texas Lottery under the RFP, Contract and applicable law.*

### **3.61 Limitation on Authority; No Other Obligations**

*The Successful Proposer shall have no authority to act for or on behalf of the Texas Lottery or the State of Texas except as expressly provided for in this RFP or any resulting Contract. The Successful Proposer may not incur any debts, obligations, expenses or liabilities of any kind on behalf of the State of Texas or the Texas Lottery.*

### **3.62 Proposer Assignment**

*The Successful Proposer hereby assigns to the Texas Lottery any and all claims for overcharges associated with any Contract resulting from this RFP arising under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq., and the antitrust laws of the State of Texas, Tex. Bus. & Comm. Code Sec. 15.01, et seq.*

### **3.63 Code of Conduct**

*The Texas Lottery is an extremely sensitive enterprise because its success depends on maintaining the public trust by protecting and ensuring the security of lottery products. The Texas Lottery incorporates the highest standards of security and integrity in the management and sale of entertaining lottery products, and lottery vendors are held to the same standards. Therefore, it is essential that operation of the Texas Lottery, and the operation of other enterprises which would be linked to it in the public mind, avoid not only impropriety, but also the appearance of impropriety. Because of this, the Successful Proposer shall:*

- (a) Offer goods and services only of the highest quality and standards.*
- (b) Use its best efforts to prevent the industry from becoming embroiled in unfavorable publicity.*
- (c) Make presentations in a responsible manner and when it is felt necessary to point out the superiority of its goods or services over those of its competitors, do so in such a manner as to avoid unfavorable publicity for the industry.*
- (d) Avoid activities, operations, and practices that could be interpreted as improper and cause embarrassment to the Texas Lottery and/or to the industry.*
- (e) Report security problems or potential security problems with any services provided pursuant to this RFP immediately and only to the Texas Lottery.*
- (f) Otherwise comply with the State Lottery Act (Texas Gov't Code ANN. Ch. 466) and Texas Lottery rules, procedures and policies.*
- (g) Provide best practices related to security and integrity standards within the industry.*

## **3.64 Contact With Texas Lottery Commission**

**3.64.1** *Employees, Subcontractors and agents of all prospective Proposers and employees, Subcontractors and agents of the Successful Proposer may not offer or give a gift to a Texas Lottery employee. For purposes of this section, "gift" has the meaning as defined in Tex. Gov't Code ANN. § 467.001(4) and as may be subsequently changed or amended by acts of the Texas Legislature.*

**3.64.2** *Employees, Subcontractors and agents of all prospective Proposers and employees, Subcontractors and agents of the Successful Proposer should not engage in nonprofessional socialization (socialization outside of a work context) with a Texas Lottery employee. There may be circumstances, however, in which nonprofessional socialization is acceptable, for example, because of family relationships, common acquaintances, or common outside activities. The restrictions on nonprofessional socialization are not meant to apply to unplanned, incidental social contact. In such circumstances, employees, Subcontractors and agents of all prospective Proposers and employees, Subcontractors and agents of the Successful Proposer should not discuss Texas Lottery business.*

**3.64.3** *Professional socialization at activities such as industry trade conferences and site visits is permitted.*

## **3.65 Incidents and Anomalies**

**3.65.1** *The Successful Proposer shall report immediately all significant incidents and anomalies to the Texas Lottery, followed by a written report to be submitted within one workday of the incident or anomaly. At a minimum, incident and anomaly reporting shall include a description of the incident, its cause, and corrective action taken. For purposes of this section, "significant" incidents include, by way of illustration only, any occurrence that affects the Texas Lottery, lottery retailers, or players, and deviation from established procedures and those items where sanctions or liquidated damages are applicable.*

## **3.66 Non-Exclusive Contract**

*The Texas Lottery intends to enter into a non-exclusive contract with the Successful Proposer to provide the services described in this RFP and expressly reserves the right to engage other vendor(s) to perform similar services and/or to conduct such services itself.*

TM Advertising has read, understands and will comply with the requirements outlined in this section titled Contractual Terms and Conditions.





Required Info



## 4. Required Information

### 4.1 Experience of Proposer

*Each Proposer shall provide the following information relating to its experience:*

- 4.1.1** *Each Proposer should state why it believes it has the required experience to provide the goods and services required under this RFP. Proposers must demonstrate an understanding of Texas as a minority-majority state as well as the ability to effectively reach and speak to the general and ethnic markets.*

### Meet TM Advertising

TM is a full-service, independent agency within the Interpublic Group of Companies ([www.interpublic.com](http://www.interpublic.com)) with Texas roots that go back to 1934 when the agency first opened its doors. Over the years, we've handled everything from the smallest local retailer to some of the biggest employers and most well-respected brands in the state, including the Texas Office of the Governor, Economic Development and Tourism, American Airlines, Texas Instruments, JCPenney, Bell Helicopter, 7-Eleven, Pace Foods and SuperMedia to name just a few.

TM is comprised of a diverse group of passionate people who are full of curiosity – seeking new adventures at work and in life. This attitude and passion shape the way we approach our clients' business on a daily basis. We believe that our people bring new energy and perspective around ideas and new opportunities for our clients. Ideas that are solely focused on one thing: success.

This energy and excitement is palpable in our new work environment that promotes constant collaboration and curiosity across all disciplines and levels. And so much so that *Ad Age* named TM as one of the "Best Place to Work" in 2011. We're especially proud of this acknowledgment because it is based on a confidential survey filled out by all our employees. Happy employees translate into great work for our clients! Additionally, TM has been identified, within our global Interpublic Group of Companies (IPG) network of approximately 42,000 employees, as having the highest Diversity and Inclusion scores ever seen in recent history. We don't just talk about diversity, we live and breathe it.

We're thrilled about the opportunity to leverage our passion and Texas knowledge for the Texas Lottery Commission. We wholeheartedly believe in giving back to our great city, Dallas, and the great state of Texas. We work with several Dallas accounts including the City of Dallas Downtown Initiative, image and fundraising campaign for the new Perot Museum of Nature & Science and an awareness campaign for the Katy Trail. But just being from Texas and working on Texas clients isn't the only thing that makes us a great partner for the Texas Lottery Commission.

### Why TM?

TM Advertising, along with our key subcontracting partners, have unprecedented experience, top-notch talent, well-rounded expertise and in-depth capabilities that we are confident will ensure the Texas Lottery Commission meets and exceeds its goals. Here's how:

## **We create ongoing success**

With more than 78 years of working on some of the toughest brands in some of the most aggressive categories, we've established and institutionalized core offerings and ways of working that provide a foundation of success for our clients. TM has a unique approach to identifying, delivering and nurturing a meaningful brand platform. Our approach is rooted in these four core tenets:

### ***Finding Your Beautiful Truth***

We know how critical it is for brands to establish a strong and relevant strategic platform that provides a framework for all communications and interactions with consumers. We believe that foundation starts with uncovering important truths.

The Truth about the brand.

The Truth about the consumer.

The Truth about the marketplace and where the brand resides.

These truths help us articulate a strategic platform that we like to call the Beautiful Truth. It acts as a powerful tool to drive business results. Yes, business results. The Beautiful Truth is found not in what your company does. It is found in what your brand means. Our passion is finding your Beautiful Truth. Expressing it beautifully. And spreading it far and wide. We'd love to show you how we use the Beautiful Truth. And ultimately, how consumers' hearts, and wallets, follow.

### ***Connecting in Meaningful Ways***

It begins with a unique collaboration between media and creative. We're not in the business of creating ads, we're in the business of creating brand stories – content that lives in this ever-changing and increasingly cluttered media environment. One does not come before the other – they are inextricably linked through a powerful brand idea that connects with consumers on a deeper, more meaningful level. One that inspires and motivates them to participate with our clients' brands.

### ***Optimizing Every Step of the Way***

The innovative ideas and marketing campaigns we deliver are only as good as the business results they produce. Because not every idea will yield the same return, we must always evaluate and understand the impact on the markets in which our clients do business and on the audiences we want to motivate. Using data analytics, tracking studies and custom research, we are dedicated to continuous measurement and improvement.

### ***Flawless Execution***

In these economic times, clients need their agencies to have the ability to respond faster, be more nimble and deliver more efficiently. TM has processes in place that deliver on that – time and time again. Through rigorous project management and quality assurance processes and in-house studios for print, digital and video production, we can quickly and efficiently produce communications to exacting standards.

## **We bring together best-in-class partners**

Not just any partner will do. We methodically and purposely identified and hand-selected partners that are revered as experts in their specified disciplines and are passionate about partnering with TM to bring the best solution to the table for the Texas Lottery Commission. Partners that we believe in personally and professionally and feel confident they will contribute to the spirit of trust, collaboration and respect expected by us and our clients. Our partners, Bromley Communications, TPN and The Ward Group, will provide the in-depth knowledge and expertise to address some of the specialized services needed by the Texas Lottery.

Bromley Communications has joined our team to offer culturally relevant insights for the multicultural markets that populate the state of Texas. TPN will bring invaluable knowledge and proven strategies that address the current changing retail environment through in-depth understanding of shopper behaviors and purchase motivators. And last, The Ward Group, considered a top media buying agency in the Southwest, are experts on your business through their working relationship with the Texas Lottery for more than eight years.

The beautiful reality of this team of experts is the seamless and effortless flow among all partners. Uncannily, it has been a natural fit that not only does it feel right, but has also worked well and we believe is a powerful combination to bring you fresh thinking and insights grounded in tried-and-true processes.

## ***We know how to drive traffic and trial at retail***

Long gone are the days where branding and image advertising is good enough. Today, all of our clients are selling something – an airline ticket, a box of contact lenses cleaner, a seafood meal platter, a trip to Texas, a Slurpee, etc. You name it; we are working on behalf of our clients to help sell it. We understand the need to constantly meet and exceed sales projections for our clients. We do it day in and day out with tremendous success.

We understand the importance of connecting with consumers wherever they are in the marketplace. Our partnership with TPN will not only provide the Texas Lottery Commission the expertise to connect with the desired audience through promotions and events but also navigate the constantly changing retail market with shopper marketing disciplines that create innovative solutions to intercept consumers at point of purchase and drive sales.

At TM, we know that the innovative ideas and marketing campaigns we deliver are only as good as the business results they produce. So we have in-house analytics capabilities that allow us to optimize all of our clients' communications plans so that we can maximize ROI. Measurement and analytics are critical for all elements of a campaign, whether it be digital or traditional marketing. And this is something that TM has no shortage of experience in. We provide data-driven insights and innovations for all of our clients, ensuring they meet all of their financial and marketing goals.

## ***We understand diverse audiences***

Today, Texas' population is as diverse and fragmented as the media landscape. Now the General Market (non-Hispanic white population) accounts for less than half the population, making Texas a minority-majority state. To be successful in marketing in the great state of Texas, we must address this diverse demography in compelling and relevant ways.

Marketing to a diverse consumer audience, demographically and psychographically, is second nature to us. As lead agency on global accounts such as American Airlines and Texas Tourism, we understand how consumers with widely varying perspectives, cultures and languages view the brands we steward, how they use them and what will motivate them to use them more often or try them for the first time.

And this experience is further fortified by our strategic alignment with the smart minds of Bromley. Bromley has a wealth of experience marketing to diverse multicultural audiences, including African-American, Hispanic and Asian-American. Within the Hispanic market, they have effectively engaged all Hispanics across the broad acculturation spectrum for clients such as Western Union, General Mills and San Antonio Convention and Visitors Bureau.

### ***We've responsibly managed government and complex organizations***

We're no strangers to working with some of the most complex, challenging and highly regulated industries, such as the airline and energy businesses. We had to successfully maneuver and manage multilayered client infrastructures, as well as tough and challenging target markets such as marketing helicopters to the Department of Defense and the U.S. Military. No easy task.

But through these experiences, we understand the need to be held accountable for achieving objectives and goals while responsibly marketing your products and managing your budget with careful stewardship. We have the people, systems and procedures in place to fulfill the fiscal and operational requirement of a complex government account. We also understand your position and responsibilities as a marketer within a government organization, and we continually strive to make your working relationship with the agency as easy as possible while also delivering marketing programs that drive results.

### ***We carefully manage public perceptions and image sensitivities***

Not many agencies have experience dealing with bankruptcies, oil spills and terrorist acts as part of the client's business problems. And no one has had their client's product used as a weapon of mass destruction. American Airlines not only trusted us to handle external marketing to customers but also the delicate task of crafting internal communications to employees in those fragile and sensitive days following 9/11. And most recently, the challenge of filing for bankruptcy and labor issues. Statoil has had to deal with Gulf of Mexico oil spills and the perception of fat cats getting rich off the backs of Middle America. These companies trust TM to navigate these difficult times and create communications that help manage public perception.

### ***We share your values***

We are thrilled to see that our core values are very much aligned and share similar sentiments. We hold ourselves accountable to them in everything we do.

- *Integrity and responsibility* – We're an open book – transparent, honest and forthright.
- *Innovation* – At TM, we call it courage. It's the first value on our core value list – try new things, find new solutions. In fact, even our annual employee evaluation include a rating for "constantly seeking new ways to approach your job day in and day out."
- *Fiscal accountability* – We spend and track your money like it's our own. Now more than ever, financial stewardship is an absolute must on the part of the agency and we honor that responsibility with every dollar spent on behalf of our clients.

- *Customer responsiveness* – They say the advertising business never sleeps. And in our case, that is the truth. We're accessible 24/7. Your business is our business. And everything we do, we do with respect and humility.
- *Teamwork* – No one individual has all the answers, but together we find the best solution. In fact, to facilitate collaboration, we just removed the walls in our office space, literally. Access is the stage to great thinking, which leads to even better and innovative business-building ideas for our clients.
- *Excellence* – Our clients, their customers and the ever-changing marketplace demand excellence. We must never stop. And we never do. As our Chief Creative Officer always says, "Every day is a clean slate – a new day to find an even better way."

***We bring extraordinary resources to the table:***

- *Talent* – As an agency, we know that our best currency is our talented people. Our people are what make the real difference at TM and on our clients' business. We've assembled a team for the Texas Lottery that has a wealth of industry experience, a passion for delivering powerful and innovative communication solutions, and a commitment to building a long-term relationship with your team built on mutual trust and respect.
- *Tools* – Because of the IPG network and the access to world-class technology, tools and research, we have the ability to leverage each to the benefit of the Texas Lottery Commission. We also have the right talent who has firsthand experience maximizing each tool to the full extent for each client. And we plan on doing it for you as well.

***And we constantly add value to your business***

Because constant improvement and innovation are so critical in this fast-changing retail world, we've created a Retail Advisory Board, in addition to an experienced, effective and dedicated Lottery account team, who will provide consultative guidance for the Texas Lottery Commission. This board is made up of seasoned professionals with decades of experience driving sales within a retail environment – within both agency and client organizations. This board also consists of pioneers in the emerging shopper marketing discipline – bringing to bear for the Lottery a best-in-class approach to understanding and shaping customer shopping behavior. Most important, consultation sessions with this team will be provided twice a year to the Lottery as an added-value, no-charge service. The Texas Lottery Retail Advisory Board will consist of the following experts.

President of Shopper Sciences, IPG Retail Lab  
 Global Director of Shopper Sciences, IPG Retail Lab  
 CMO, Michaels Stores  
 Former CMO, 7-Eleven  
 SVP of Client Service, TPN

John Ross  
 Devora Rogers  
 Paula Puleo  
 Rita Bargerhuff  
 Cathy Brown

The Retail Advisory Board will focus on issues and opportunities that are identified jointly by the agency Texas Lottery team and the Texas Lottery client and may include topics such as emerging retail trends, the changing retail landscape, channel relationship development, customer loyalty strategies, etc.

## Let us introduce you to our partners

# BROMLEY

Our San Antonio-based multicultural specialist, **Bromley Communications**, opened their doors more than 30 years ago and today is now one of the leading multicultural ad agencies in the country. They have worked on some of the most well-respected brands in the nation, including Coors Light, Continental Airlines, Progresso, UnitedHealthcare, Western Union, Pillsbury, the NBA and the San Antonio Convention and Visitors Bureau, to name just a few.

Bromley has deep experience in originating integrated marketing solutions that create connections between brands and their consumers – regardless of geography or ethnicity. They believe that consumers should be the inspiration of ideas, not the targets of them. Therefore, they have developed an approach to foster this connection.

Similar to our Beautiful Truth approach, Bromley helps build their clients' businesses by uncovering an ownable consumer truth. Armed with an understanding of consumer needs, desires and values, Bromley creates communications that speak to consumers in a truthful and respectful way, never forcing a preconceived brand message, but empowering consumers to form their own connection. Believing that the stronger the connection between consumers and the brand, the more powerfully they can originate change in the market.



**TPN** is a nationally recognized retail agency that specializes in shopper marketing, consumer promotion and environmental design. They're committed to delivering best-in-class consumer and shopper marketing ideas that activate clients' brands at key retailers.

To push activation, achieve higher brand equity and superior ROI, TPN combines strategic leadership with innovative creative and marketing expertise. They like to approach marketing challenges from the perspective of "Re-imagine Retail." Whether it's for a brand, shopper, consumer or retailer, TPN delves into the mind-set, behavior and surroundings (the TRUTH) of the consumer to find provocative and actionable insights that can be transformed into inventive solutions that connect with, inspire, stimulate, engage and activate the desired target. TPN's clients include 7-Eleven, Safeway, Kmart, Sears, Bank of America, Cricket, Gatorade and Jockey, to name just a few.



Founded in 1985, **The Ward Group** is a family-owned company with very high standards and strong ethics built on a solid foundation of putting their clients first. It is independently owned by Shirley Ward and Rob Enright – a powerful duo who strives to create an atmosphere of professionalism and trust as well as a company that people desire to work for and with. It's this atmosphere that builds respect – the kind of respect we earn from our media vendors every day by being as tough as we are honest, professional and fair.

At Ward, the sole purpose of the client relationship is to drive business and bring the truth to light. They define positive and productive relationships as one that is so synergistic and based on true understanding of their clients' businesses that it is hard to distinguish where the client leaves off and the agency begins. The Ward Group is fanatical about budget stewardship – ensuring every dollar is working toward the identified goal. The clients who benefit from their stewardship include: Little Caesars Pizza, DART, Honda of Burlison, CareNow, Ad Giants, Aaron Brothers and Promised Land Dairy, to name just a few.

### **Roles and Responsibilities of Partners**

As the primary contractor and lead agency, TM has ultimate responsibility for the relationship, contract and delivery of all services outlined in the RFP and will coordinate the development and execution of strategies and tactics to all Texas audiences across our partners. We will shoulder the responsibility for the development of general market strategies, media plans and creative concepts. We will also oversee all production, supported by consultation from our partners to ensure appropriate nuances are effectively considered for every consumer audience. Additionally, we will deliver all reporting, billing, budgeting and financial stewardship responsibilities as required by the Lottery – always executing them to the Lottery's standards and satisfaction.

- Bromley will be responsible for multicultural research, planning, creative concepting, media planning, media buying and production.
- TPN will be responsible for the development of shopper marketing strategies and promotions/event concepting, creative and implementation.
- The Ward Group will be responsible for general market media buying and pre- and post-buy stewardship under the leadership of TM's media planning team.

### **Deep in the Heart of Texas**

Going full circle, we started this section telling you about our heritage in Texas and our Texas clients, but our knowledge of Texas is even more firmly rooted in the present and the outlook for the future. You asked us to demonstrate our understanding of Texas as a minority-majority state, as well as the ability to effectively reach and speak to the general and ethnic markets.

We really know Texas ...

- Rodeo is the official state sport of Texas, though high school football is more popular

- Square dance is the official dance of Texas
- Texas has only one natural lake
- Texas boasts the largest of all the state capitol buildings, constructed of 15,000 carloads of pink granite
- The privately owned King Ranch in South Texas is bigger than the state of Rhode Island
- Texas' native horny toad is actually a lizard and can shoot blood from its eyes
- Corn has been grown in Texas for at least 2,000 years
- Ima Hogg was the real name of a Texas governor's daughter
- The town of Sweetwater holds the annual World's Largest Rattlesnake Roundup. Events include snake charming, snake weigh-ins and eating fried rattlesnake meat
- Seventy-five percent of the world's Snickers bars are made in Waco at the M&M/Mars plant
- In Texas, it's illegal to put graffiti on someone else's cow
- Waco is one of only two cities in the U.S. that has a radio station whose call letters spell out the name of the city
- And if you are not from Texas, we suggest you get here as fast as you can!

But seriously, we KNOW Texas and Texans. We get Texas and Texans intimately. We understand the pride and sense of belonging that bring together a very diverse population. Yet we recognize and celebrate our inherent differences and distinctions. We know how to weave together the threads of commonality while layering in flavors of individuality to truly connect and engage.

As communication specialists, we dig deep to discern the people behind the numbers, their culture, their preferences, their attitudes/lifestyles and their media ecosystem. It is this perspective and understanding that then power our highly custom campaign solutions.

### **Texas, a snapshot:**

The Lone Star State occupies almost 7.5% of the nation's total land area – a region as large as all of New England, New York, Pennsylvania, Ohio and Illinois combined and with its 24 MM+ inhabitants (2010 census), Texas is the second most populous state in the country.

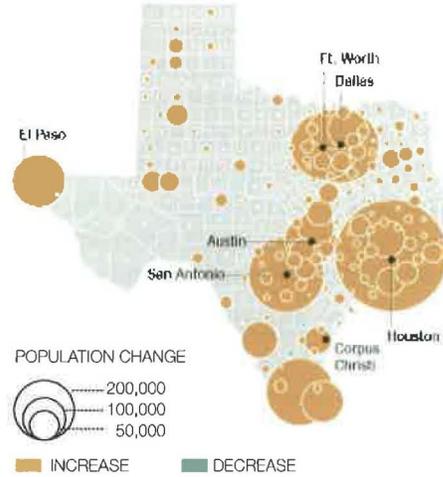
As varied as the Texas terrain, the state is an ethnographer's delight with the constantly evolving racial landscape. As of the 2010 U.S. Census, the racial distribution in Texas was as follows:

- 70.42% of Texas were White American
- 11.8%, African-American
- 3.8%, Asian-American
- 0.7%, American Indian
- 0.1%, native Hawaiian or Pacific Islander only
- 10.5% of the population was of some other race only
- 2.7% were of two or more races

Hispanics (of any race) were 37.6% of the population of the state, which is more than twice the national composition of 16.3%. Additionally, the Non-Hispanic White population at 45.3% sets the state apart from the rest of the country that comes in at 63.7%. The following pictograph sourced from *The New York Times* uses the census data to depict the sheer magnitude and impact of the changing ethnic landscape in the State of Texas.

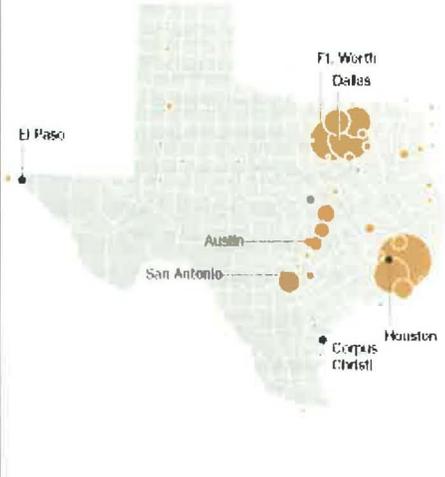
**Growth in Texas' Population Driven by Minorities** Circles on the maps represent population changes for each race or ethnicity from 2000 to 2010.

**Hispanic** 2010 POPULATION **9,460,921** CHANGE FROM 2000 **+42%**



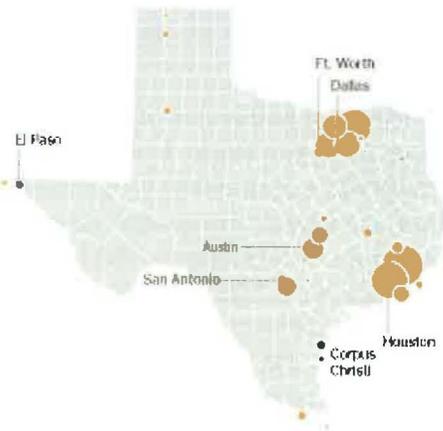
The Hispanic population grew in all but 22 of Texas's 254 counties, with the largest increases in the state's biggest urban areas.

**Black** 2010 POPULATION **2,886,825** CHANGE FROM 2000 **+22%**



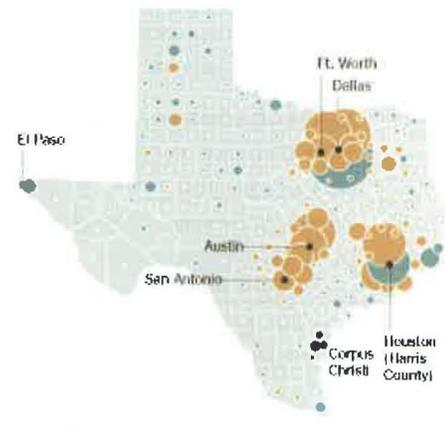
The black population grew by 22 percent, a pace similar to the growth overall, though much slower than the Hispanic and Asian populations.

**Asian** 2010 POPULATION **948,426** CHANGE FROM 2000 **+71%**



Though still a much smaller group than Hispanics and blacks, the Asian population grew by 71 percent, the highest increase among all groups.

**White** 2010 POPULATION **11,397,345** CHANGE FROM 2000 **+4%**



While minority groups has increases or very small decreases in all counties, the white population shrank in many counties, most notably in Dallas and Harris.

Sources: Census Bureau, Social Explorer

HAEYOUN PARK/THE NEW YORK TIMES

The unique makeup of the state presents sizable opportunities and significant challenges to marketers and agencies seeking to tap into the potential and create a connection.

**Hispanics in Texas :** The state has the second largest Hispanic population in the United States, behind California, representing a diverse ancestry including Mexico, Central America and South America, as well as Tejanos, whose ancestors lived

in Texas as early as the 1700s. The importance of the Hispanic community, aside from exponentially growing numbers, is also from an economic standpoint and is clearly evident from the statistic that 20.7% of firms in Texas are Hispanic owned as opposed to 8.7% for the national average.

The Hispanic population is widespread and forms a significant portion of the residents in the cities of Dallas, Houston, San Antonio and El Paso (Top 4 of the Top 10 Hispanic DMAs are in Texas). The Hispanic population is also the reason why Texas has a younger population than the American average. (Hispanic births have outnumbered non-Hispanic White births since the early 1990s.) According to research from Hobby Center for the Study of Texas at Rice University, as of 2011, only one out of three children in Texas is a non-Hispanic White. The study also predicts that between 2000 and 2040, Hispanic public school enrollment will increase by 213 percent, while non-Hispanic White enrollment will decrease by 15 percent.

The overall younger demographics of the minority population will be a key influencer in the marketplace. While they share their parents' cultural sentiments, they perhaps have different perspectives and interactions with brands and products than those traditionally held. This makes it very important to communicators and marketers to tailor their products and messages properly.

**African-Americans in Texas:** Texas ranks third behind New York and Florida for the African-American population. The majority of the African-American population is concentrated in the top cities, with Houston and Dallas ranking #8 and #10 in the list of African-American metro areas with nearly 2MM in population. The average age for African-Americans is 32.1, with more than 47% under the age of 35.

While language is not a barrier in reaching the African-American community, cultural, political and economic affiliations are key factors defining and influencing buying behavior. These then become vital data points to be cognizant of while developing communications.

**Asian-American in Texas:** More than half of the U.S. Asian-American population lives in three states: California, New York and Texas. In recent years, the Asian-American population in Texas has grown substantially in numbers and also in terms of the countries of origin. The Asian population comprises many groups who differ in languages spoken, culture and length of residence in the United States. The dominant Asian-American groups are Asian Indian Americans, Chinese Americans, Filipino Americans, Korean Americans, Vietnamese Americans and Japanese Americans with Chinese Americans being the most populous. The Asian population, for the majority, is concentrated in metro/urban areas.

While Asian-Americans are well acculturated, the majority stay connected with their cultural heritage through media and language. Six of the top 10 languages spoken in the state of Texas are unique to Asian-Americans. It becomes critically important to balance messaging and media with culturally based language and English while talking to these niche segments.

**General Market in Texas:** General Market is defined as the non-Hispanic white or Anglo population and currently stands at 45% of the state's population. Higher international immigration and high Hispanic birthrates contributed to Texas' Anglo population dipping below the majority level of 50 percent in 2003, lending it the distinction of being a minority-majority state. Four markets (Houston, Dallas, San Antonio and Austin) make up more than 65 percent of the state's general market population.

Bottom line, Texas is indeed a kaleidoscope. From our experience and continued research in the market, we know the importance of incorporating the ethnic marketplace into the overall marketing communications mix. Nowhere is it more apparent than the need to redefine what we knew and refer to as general market. The collective minority is indeed the majority. We understand that success here lies in winning over the widening spectrum of diversity while anchoring the messaging and media to the general market population.

**4.1.2** *Each Proposer shall describe in detail its experience and shall include descriptions of all engagements of comparable complexity and sensitivity to the requirements of this RFP conducted within the past five (5) years. The description of experience shall be detailed and cover the contracts the Proposer and any Subcontractors have had and all experience similar to this contract which qualifies the Proposer to meet the requirements of this contract, including but not limited to:*

- (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.*

TM Advertising and our subcontractors have a wealth of experience with clients that face similar challenges to the Texas Lottery and are of comparable complexity and sensitivity. Below is a chart that includes the requested information including the name of the client, the type of contract, the acquisition year, a description, the size of the contract expressed in billings and an indication of whether the client is a TM client or a client of one of our subcontracting partners.

Client	Agency	Size of Contract	Services Provided	Type of Contract	Year Acquired	Description of Experience
American Airlines	TM Advertising	\$100mm+	Strategy, creative, media planning and buying, digital	AOR (Contractor)	1982	Global, fully-integrated account in a highly competitive and complex category
SuperMedia	TM Advertising	\$30-40mm	Strategy, creative, media planning and buying, digital	AOR (Contractor)	2004	Internal and external fully-integrated campaign with a significant digital communications initiative
Bausch + Lomb	TM Advertising	\$30-40mm	Strategy, creative	Project (Contractor)	2009	CPG client with emphasis on heavy qualitative and quantitative research needs
AAdvantage CitiCard	TM Advertising	\$10-20mm	Strategy, creative	AOR (Contractor)	2010	Loyalty program with over 60 million members. Fully-integrated campaign including digital and direct communications
Texas Tourism*	TM Advertising	\$15 MM	Strategy, creative, media planning and buying, digital, promotions, co-op, mobile	AOR (Contractor)	1998-2011	Global public image campaign committed to meeting and exceeding state mandated goals; fully integrated campaign with emphasis on social media, events and digital experiences
Captain D's Seafood Kitchen	TM Advertising	\$1-10mm	Strategy, creative, POP, digital, social	AOR (Contractor)	2011	Reinvigorating a staid brand with a limited budget—driving increased brand relevancy to existing customer base as well as capture the heart of the brand in advertising
Statoil	TM Advertising	\$1-10mm	Strategy, creative, recruitment	Project (Contractor)	2008	Image and public perception brand campaign as well as recruitment marketing
Discover Network	TM Advertising	\$1-10mm	Strategy, creative, media planning and buying, digital	Project (Contractor)	2006	Understanding of B2B market and connecting with new customers
Baker Botts L.L.P.	TM Advertising	\$1-10mm	Strategy, creative, digital	AOR (Contractor)	2011	Image and brand campaign to change perceptions and drive loyalty

Client	Agency	Size of Contract	Services Provided	Type of Contract	Year Acquired	Description of Experience
Entrust Energy	TM Advertising	\$1-10mm	Full-Service	AOR (Contractor)	2011	Highly competitive category with limited budget
City of Dallas	TM Advertising	\$>1mm	Strategy, digital, creative, promotions	AOR (Contractor)	2008	City image campaign to drive new companies to consider Dallas as their headquarters
Daikin AC	TM Advertising	\$>1mm	Strategy, digital	AOR (Contractor)	2009	Online full-service marketing including complete overhaul of website experience
Bell Helicopter	TM Advertising	\$<1mm	Strategy, creative	Project (Contractor)	2011	B2B account in a highly complex category with a need to communicate complicated products simply
Japan Airlines	TM Advertising	\$<1mm	Strategy, creative, media planning and buying, digital	Project (Contractor)	2012	Helping launch a new route in the Boston market based on our experience and knowledge in the airline category
General Mills	Bromley	\$10-20mm	Strategy, creative, media planning and buying, digital	AOR (Contractor)	2006	CPG client with emphasis on heavy qualitative and quantitative research needs across 15 brands
Coors	Bromley	\$1-10mm	Strategy, creative, media planning	AOR (Contractor)	2003	Highly competitive environment where innovation is a constant and, as market leader, needs to maintain position
MillerCoors	Bromley	\$1-10mm	Media planning	AOR (Contractor)	2005	Maintaining brand character for both MillerLite and CoorsLight
Western Union	Bromley	\$1-10mm	Strategy, creative, media planning and buying, digital	AOR (Contractor)	2009	Keep brand top-of-mind in a competitive environment and react to marketplace changes in 24 hours
National Basketball Association	Bromley	\$1-10mm	Strategy, creative, media planning and buying, digital	AOR (Contractor)	2009	Take an established brand and make fans fall in love with it and become part of the game all season long
National Pork Board	Bromley	\$<1mm	Strategy, creative, media planning and buying, digital	AOR (Contractor)	2007	Make consumers think beyond the swine flu epidemic and get them back to buying pork
Susan G. Komen Foundation	Bromley	\$<1mm	Strategy, creative, media planning and buying, digital, public relations	AOR (Contractor)	2011	Stop the mortality rate among Latinas. Change their mind-set and get them educated on the importance of mammograms
United HealthCare	Bromley	\$<1mm	Strategy, creative, public relations	Project (Contractor)	2007	Get the word out to the elderly that United Healthcare is a valuable solution
San Antonio Symphony	Bromley	Pro-Bono	Strategy, creative	AOR (Contractor)	1998	Change the perception of the symphony and attract a younger demographic as the older generation is not engaging as much
7-Eleven	TPN	\$<5mm	National promotion, partnership marketing	AOR (Contractor)	2002	Shift focus away from national promotions, to align with client need of specifying offers by zones/region on POP
Bank of America	TPN	\$5-10M	Retail, shopper promotion	AOR (Contractor)	2005	Strategic partnership implementing change in the key retail channel realigning what the physical banking centers can and should do as more people bank online/on phones and the enterprise expands their service options beyond banking
Bimbo Bakeries USA	TPN	\$<5mm	Promotion, digital	AOR (Contractor)	2004	High awareness brands, limited budgets with significant focus on digital, particularly social
Borden, Inc.	TPN	\$<5mm	Shopper marketing	AOR (Contractor)	2010	Increase brand awareness and covert shoppers from private label products to Borden products
The Clorox Company	TPN	\$<5mm	Shopper marketing, retail	AOR (Contractor)	2008	Integrated marketing through consumer promotion and shopper/retail marketing disciplines

Client	Agency	Size of Contract	Services Provided	Type of Contract	Year Acquired	Description of Experience
Cricket Wireless	TPN	\$5-10M	Integrated marketing	AOR (Contractor)	2009	Introduce new products that appeal to an underserved demographic
The Hershey Company	TPN	\$5-10M	Shopper marketing and customer-specific marketing	AOR (Contractor)	2003	Develop compelling shopper and consumer promotion programs that leverage iconic brands and drive sales
NatureSweet	TPN	\$<5mm	National promotion, shopper marketing	AOR (Contractor)	2011	Increase brand and product awareness among the highly-cluttered, unbranded produce department
PepsiCo	TPN	\$<5mm	Promotion, shopper marketing	AOR (Contractor)	1995	Growth of brands over a 16-year relationship
Safeway, Inc.	TPN	\$<5mm	Shopper marketing	AOR (Contractor)	2010	Changes in how shoppers shop grocery: more cross-shopping, fewer primary shoppers, more fill-in trips, fewer stock up trips, and smaller basket. Increasing loyalty; driving trips and basket size among shopper target
Major National Retailer	TPN	\$<5mm	National promotion, partnership marketing, entertainment	AOR (Contractor)	2010	Utilizing entertainment marketing discipline to connect with the passions of shoppers to achieve storewide objectives of increased traffic and consideration.
CareNow	The Ward Group	\$1-10mm	Media strategy, media planning and buying	AOR (Contractor)	2011	Growing an established brand while overcoming customer perceptions about the urgent care category
Dallas Area Rapid Transit (DART)	The Ward Group	<\$1mm	Media strategy, media planning	Project (Subcontractor)	2009	Developing a comprehensive, strategic approach to social media that is easily managed internally
Foundry Big & Tall Supply Co.	The Ward Group	\$1-10mm	Media strategy, media planning and buying	AOR (Contractor)	2011	Building awareness for a newly launched niche brand with limited budget and low market penetration
Little Caesars Pizza DFW	The Ward Group	\$1-10mm	Media strategy, media planning and buying	AOR (Contractor)	2010	Driving sales through traditional advertising after almost two years of virtually no advertising presence
Park Place Dealerships	The Ward Group	<\$1mm	Media strategy, media planning and buying	Project (Subcontractor)	2005	Continuously increasing traffic and sales for a leader in the very competitive retail category of luxury automobiles
Pollo Campero	The Ward Group	<\$1mm	Media strategy, media planning and buying	AOR (Contractor)	2011	Providing insightful, innovative ways to grow visits/sales among Latino consumers in various markets throughout the U.S.
Promised Land Dairy	The Ward Group	<\$1mm	Media strategy, media planning and buying	Project (Subcontractor)	2011	Investing limited media dollars to drive trial among consumers and justify additional shelf facings with retailers
SCORE	The Ward Group	<\$1mm	Media strategy, media planning and buying	AOR (Contractor)	2012	Using social media to educate entrepreneurs about the services provided by this little known nonprofit
Trinity Trust	The Ward Group	<\$1mm	Media strategy, media negotiation	Project (Subcontractor)	2010	Building awareness of efforts by the City of Dallas to develop and revitalize the Trinity River corridor
SEEARP	The Ward Group	<\$1mm	Media strategy, media planning and buying, promotions	Projec (Contractor)	2010	Develop a campaign to inform the general public in the State of Texas about a government initiative to give money back to the public for purchasing energy efficient appliances through a rebate program

\* After 15 years, TM decided not to participate in the mandatory review of the Texas Tourism business. In the last year we helped them exceed their State-mandated goal by more than 30%. We are proud of what we've done and of our contribution to the great state of Texas.

- 4.1.3** *The Proposer shall state whether or not any of the following have occurred during the last three years:*
- (a) *The Proposer has had a contract terminated, and if so, shall provide full details, including the other party's name, address and telephone number.*

We are very proud of our client retention rate. High client satisfaction scores and client loyalty have been hallmarks of our agency. In fact, we have had long-standing relationships with many clients including American Airlines for more than 30 years and counting and Texas Tourism for over 15 years. The only contract that has been terminated in the last three years is Nationwide Insurance. We parted ways in 2009 after an 11-year relationship. We invite you to speak to the Nationwide Insurance CMO to learn about how we successfully managed and helped grow the Nationwide business. The contact information is included below:

James Lyski  
CMO  
Nationwide Insurance  
One Nationwide Plaza  
Columbus, OH 43215-2226  
(800) 882-2822

- (b) *The Proposer has been assessed any penalties or liquidated damages under any existing or past contracts and if so note the reason for and the amount of the penalty or liquidated damages for each incident.*

TM Advertising has not been assessed any penalties or liquidated damages under any existing or past contracts in the last three years.

- (c) *The Proposer was the subject of (i) any disciplinary action for substandard work and unethical practices or (ii) any order, judgment or decree of any federal or state authority barring, suspending or otherwise limiting the right of the Proposer to engage in any business, practice or activity.*

TM Advertising has not been the subject of (i) any disciplinary action for substandard work and unethical practices or (ii) any order, judgment or decree of any federal or state authority barring, suspending or otherwise limiting our right to engage in any business, practice or activity.

- (d) *The Proposer has been involved in any litigation related to contract performance.*

TM Advertising has not been involved in any litigation related to contract performance in the last three years.

- 4.1.4** *Failure to include any of the items in this section may result in disqualification of the Proposal.*

TM Advertising has read, understands and will comply with these requirements.

## 4.2 References

*A minimum of five (5) verifiable references must be provided that include contact person, name of company, phone, fax number, and e-mail address, if available. Proposers' references shall include references for which Proposer has provided similar services as described in Part 7 of this RFP. The Texas Lottery reserves the right to verify all information in the Proposal submitted by the Proposer and seek other information it deems necessary to conduct a thorough review.*

## TM Advertising

### American Airlines

Rick Wilbins  
Managing Director – Global Brand, Advertising and Corporate Citizenship  
817-967-9793 (phone number)  
817-967-2841 (fax number)

Tex. Gov't Code §552.137

*"The World Look has been nothing short of remarkable in changing how we market American Airlines around the globe. From advertising to signage to napkins, it transformed us into a brighter, more contemporary brand everywhere we fly, while amplifying the impact of every marketing dollar."*

Rick Wilbins  
American Airlines  
Managing Director of Advertising

*"They are my experts. I look to them as my experts. They are the creative geniuses they are and as a result, we have a lot of faith in them. But when it comes time, they collaborate with not only me and my team, but also with my Executive Team and my other agencies. I have not seen any other organization in my entire career that is so collaborative in nature yet at the same time is so focused on the main goal. As I look at every piece of evolving media, I find they are ahead of the curve, ahead of the trends and they integrate all those pieces together for me. And that is very unusual."*

Roger Frizzell  
American Airlines  
VP, CorpComm & Advertising

### Economic Development and Tourism

Julie Chase, Texas Office of the Governor,  
CMO – Director of Economic Development and Tourism  
512-936-0209 (phone number)  
512-463-1849 (fax number)  
julie.chase@governor.state.tx.us

Government agencies do not provide written testimonials referrals.

### Captain D's

Jonathan Muhtar  
Chief Marketing Officer  
615-231-2151 (phone number)  
615-231-2792 (fax number)

Tex. Gov't Code §552.137

*"What put TM ahead of the competition was their strong strategic foundation. Their pitch included their own consumer research, and their initial thoughts on our positioning lined up with what I thought as well. They were the best fit for us, particularly in an environment where we're not just looking to break through with new messaging, but also to define fertile ground for our brand to stand upon and follow through for years to come."*

Jonathan Muhtar  
CMO  
Captain D's

## **SuperMedia**

Mat Stover  
EVP, Chief Marketing Officer  
972-453-6938 (phone number)  
972-453-8723 (fax number)

**Tex. Gov't Code §552.137**

*"If one of my friends or colleagues was looking for a new advertising agency, and they were looking for a firm that could move quickly, have great creative, and can really work together as a team, I would without question, without hesitation recommend TM."*

Scott Klein  
CEO  
SuperMedia

*"I would say TM's greatest strength is collaboration. We work very closely together and are truly a team. I view my partners at TM as members of my team and as a true partnership. We are able to sit down together and roll up our sleeves and make things happen."*

Stanton Brown  
Marketing Communications  
SuperMedia

## **Bausch + Lomb**

Lisa VanDeMark  
Vice President Marketing  
North America Vision Care  
585-338-8237(phone number)  
585-338-0764 (fax number)

**Tex. Gov't Code §552.137**

*"TM Advertising has been a phenomenal partner."*

Lisa VanDeMark  
Vice President Marketing  
North America Vision Care  
Bausch + Lomb

## **Bromley**

National Basketball Association  
Saskia Sorrosa  
Vice President, Multicultural/Target Marketing  
212-407-8463 (phone number)  
212-752-1967 (fax number)

**Tex. Gov't Code §552.137**

*"Bromley has brought a level of market expertise and creative excellence that has helped strengthen our brand and grow our business. They are focused on delivering against our core values and consistently respond to our needs with a positive attitude and a willingness to go above and beyond."*

Saskia Sorrosa  
Vice President, Multicultural/Target Marketing  
National Basketball Association

## Western Union

Andreína González  
Marketing Director, Hispanic Segment  
Integrated Marketing Communications  
720-332-3030 (phone number)  
720-332-0035 (fax number)

Tex. Gov't Code §552.137

*"In the fast pace business that we are in, retail based financial services, we value partners like Bromley who can understand and adapt to business-driven last minute changes in priorities and deliver fast ... and always do so with a great attitude. We know Bromley will rise to the occasion."*

Andreína González  
Marketing Director, Hispanic Segment  
Integrated Marketing Communications  
Western Union

## The Ward Group

Sleep Experts  
Chris Cook  
Chairman/CEO  
469-574-1150 (phone number)  
469-574-1147 (fax number)

Tex. Gov't Code §552.137

*"Since January of 2004, when Ward took over stewardship of our media buy, our company's revenues have grown by 163% and we have turned the corner to become a profitable company. Return on advertising, which is our weekly sales/gross media expenditures, has increased from \$2.54 to \$8.47, a 233% increase in the metric which is our most important indicator of profitability."*

Chris Cook  
Chairman, CEO  
Sleep Experts

## Park Place Motors

Rob Sumner  
Director of Marketing  
214-224-1979 (phone number)  
214-525-5493 (fax number)

Tex. Gov't Code §552.137

*"The Ward Group has been a trusted partner to Park Place for several years. We highly value their creative and strategic thinking as they are always bringing us innovative ways to reach our target audience. Their buying clout and keen negotiating skills also ensure that we are getting the very best rates possible allowing us to stretch our media dollars."*

Rob Sumner  
Marketing Director  
Park Place Dealerships

**Energy Efficiency Education and Outreach Public Outreach and Strategies  
Division Texas**

Korry Ingleman  
512-463-3806  
korry.ingleman@cpa.state.tx.us

Government agencies do not provide specific referrals.

**TPN**

**Kmart and Sears/Sears Holding Company**

Tyler David Foxx  
Director, Entertainment Programming – Kmart and Sears

**Tex. Gov't Code §552.137**

847-286-7173 (phone number)  
847-645-5680 (fax number)

*"TPN gets retail. They consistently come to the table with big ideas and strategies that deliver real value, increased sales and added profitability. We operate together like partners, working collaboratively to meet our collective goals."*

Tyler David Foxx  
Director, Entertainment Programming – Kmart and Sears  
Sears Holding Company

**Nature Sweet Ltd.**

Bobby Patton  
Vice President  
210-247-8250 (phone number)  
210-509-6910 (fax number)

**Tex. Gov't Code §552.137**

*"TPN took the NatureSweet brand and connected it with our shopper in smart, strategic ways amidst the cluttered, unbranded produce section. Their creative approach was grounded in insights and brought to life in executable, breakthrough ways that not only strengthened our relationship with our shopper, but also differentiated us with our key retail partners."*

Bobby Patton  
Vice President  
NatureSweet Ltd.

### 4.3 Contact Person

*Each Proposer shall provide the name, address, telephone number, email address, and facsimile number of a person to contact concerning questions regarding its Proposal.*

Rebecca M. (Becca) Weigman  
Chief Executive Officer  
TM Advertising  
3030 Olive Street  
400 Victory Plaza East  
Dallas, TX 75219  
becca.weigman@tm.com  
972-830-2271 (phone number)  
972-830-1293 (facsimile number)

### 4.4 Conflict of Interest

**4.4.1** *The Proposer must disclose any actual, potential or perceived conflict of interest relative to the performance of the requirements of this RFP. The Proposer must disclose any personal or business relationship of (a) itself; (b) any of its principals, officers, directors, investors, owners, partners, and employees (collectively, Proposer Personnel); (c) any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of any Proposer Personnel; (d) any affiliate; or (e) any Subcontractor with any employee or representative of the Texas Lottery (including the Texas Lottery Executive Director and its commissioners) or its prime vendors. As of the time of the issuance of this RFP, prime Texas Lottery vendors include, but are not limited to: GTECH Corporation, lottery operator; Scientific Games International, instant ticket manufacturer; Pollard Banknote Limited Partnership, instant ticket manufacturer; GTECH Printing Corporation, instant ticket manufacturer; TLP, Inc. dba TracyLocke and LatinWorks, advertising services; Davila, Buschhorn and Associates, P.C., lottery drawings audit services; Elephant Productions, Inc., drawings broadcast services; Barker & Herbert Analytical Laboratories, Inc., instant ticket testing services; Maxwell Locke & Ritter, LLP, annual financial audit and Mega Millions and Powerball agreed-upon procedures engagement; Meyertons, Hood, Kivlin, Kowert & Goetzel, P.C., outside counsel for intellectual property matters; Eubank & Young Statistical Consulting, LLC, statistical consulting services; Knight Security Systems, LLC, surveillance camera products and related services; and Elsym Consulting, Inc., internal control systems and services. Additionally, any such relationship that might be perceived or represented as a conflict should be disclosed. Failure to disclose any such relationship may be a cause for disqualification of a Proposal.*

TM Advertising does not have any actual, potential or perceived conflict of interest relative to the performance of the requirements of this RFP.

**4.4.2** *This is a continuing disclosure requirement. The Proposer shall disclose to the Texas Lottery in writing any actual, potential or perceived conflict of interest, relative to the performance of the requirements of this RFP, during the period prior to the award of any Contract pursuant to the RFP, at the time the conflict is identified. Failure to promptly notify the Texas Lottery will be sufficient grounds for rejecting the Proposal.*

TM Advertising has read, understands and will comply with these requirements.

### 4.5 Financial Soundness

**4.5.1** *Each Proposer must provide evidence of financial responsibility and stability for performance of any Contract awarded as a result of this RFP and must demonstrate the ability to finance the project described in its submission.*

TM Advertising has the financial responsibility and stability for performance of any Contract awarded as a result of this RFP.

**4.5.2** *Proposer shall provide evidence of financial responsibility and stability based on any and/or all of the following:*

1. *If Proposer is the sole source of financial resources and will finance the project on its own with current resources;*
2. *If Proposer is the subsidiary of a parent corporation and the parent corporation is providing financial resources or assurance, the parent corporation must complete Attachment B, and the Proposer must submit financials for both the Proposer and the parent;*
3. *If Proposer is a joint venture or a group of affiliated companies, the Proposal must include financials for each member or affiliate of such joint venture or group, as applicable; If 1, 2 or 3 apply, then, each Proposer shall submit the following documentation with its Proposal:*
  - (a) Copies of audited financial statements and/or complete tax returns for each of the Proposer's (and its parent corporation, if applicable, or joint venture member or affiliate, if applicable) two (2) most recently ended fiscal years; and/or*
  - (b) If documentation under (a) is not available, provide other proof of financial assurance.*
4. *If Proposer is relying on financial resources other than items 1 through 3 above, then Proposer shall submit the following documentation with its Proposal:*
  - (a) Other proof of financial assurance.*

Per item number two above, TM Advertising is the subsidiary of IPG, a public company, and therefore our parent has completed Attachment B.

Further, we have included key financial statements and a link to the full set of IPG's financial statements below. This fulfills our financial reporting requirement per the answer to written question number 100 in the Texas Lottery document titled "Responses to Proposers' Questions and RFP" dated February 2, 2012.

(Question #100: a. For the financial statements of the parent company that is a public company, do you require the full 10k which would be hundreds of pages or is it acceptable to provide key financial statements and provide a link to the full financial statement? RESPONSE: Proposers may provide a link to the full financial statement. b. As an entity of a public parent, the Proposer's financials are audited as part of the public parent so the Proposer does not report audited agency level financials. Due to Sarbanes Oxley, we do not provide agency level financials. Attachment B will confirm that the parent company is fully responsible for any and all financial obligations of the Proposer. Will the financial statements of the parent company along with Attachment B fulfill the financial reporting requirements of the RFP? RESPONSE: Yes.)

Below is the link to IPG's 2010 Annual Report which includes the full 10(k) filing, the official audited financial statements and notes: The 2011 Annual Report is yet to be published.

<http://investors.interpublic.com/phoenix.zhtml?c=87867&p=irol-reportsAnnual>

For your convenience, we have included the key financial statements below.

**THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
**(Amounts in Millions, Except Per Share Amounts)**

	<b>Years ended December 31,</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>REVENUE</b>	<u>\$ 6,531.9</u>	<u>\$ 6,027.6</u>	<u>\$ 6,962.7</u>
<b>OPERATING EXPENSES:</b>			
Salaries and related expenses	4,117.0	3,961.2	4,342.6
Office and general expenses	1,862.3	1,720.5	2,013.3
Restructuring and other reorganization-related charges, net	3.9	4.6	17.1
Total operating expenses	<u>5,983.2</u>	<u>5,686.3</u>	<u>6,373.0</u>
<b>OPERATING INCOME</b>	<u>548.7</u>	<u>341.3</u>	<u>589.7</u>
<b>EXPENSES AND OTHER INCOME:</b>			
Interest expense	(139.7)	(155.6)	(211.9)
Interest income	28.7	35.0	90.6
Other income, net	12.9	11.7	3.1
Total (expenses) and other income	<u>(98.1)</u>	<u>(108.9)</u>	<u>(118.2)</u>
<b>Income before income taxes</b>	450.6	232.4	471.5
Provision for income taxes	171.3	90.1	156.6
<b>Income of consolidated companies</b>	<u>279.3</u>	<u>142.3</u>	<u>314.9</u>
Equity in net income of unconsolidated affiliates	1.9	1.1	3.1
<b>NET INCOME</b>	<u>281.2</u>	<u>143.4</u>	<u>318.0</u>
Net income attributable to noncontrolling interests	<u>(20.1)</u>	<u>(22.1)</u>	<u>(23.0)</u>
<b>NET INCOME ATTRIBUTABLE TO IPG</b>	261.1	121.3	295.0
Dividends on preferred stock	<u>(15.6)</u>	<u>(27.6)</u>	<u>(27.6)</u>
Benefit from preferred stock repurchased	25.7	0.0	0.0
Allocation to participating securities	0.0	(0.1)	(2.2)
<b>NET INCOME AVAILABLE TO IPG COMMON STOCKHOLDERS</b>	<u>\$ 271.2</u>	<u>\$ 93.6</u>	<u>\$ 265.2</u>
Earnings per share available to IPG common stockholders:			
Basic	\$ 0.57	\$ 0.20	\$ 0.57
Diluted	\$ 0.47	\$ 0.19	\$ 0.52
Weighted-average number of common shares outstanding:			
Basic	473.6	468.2	461.5
Diluted	542.1	508.1	518.3

The accompanying notes are an integral part of these financial statements.

**THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**(Amounts in Millions, except Par Value Amounts)**

	December 31,	
	2010	2009
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 2,675.7	\$ 2,495.2
Marketable securities	13.7	10.9
Accounts receivable, net of allowance of \$63.1 and \$66.0	4,317.6	3,756.5
Expenditures billable to clients	1,217.1	1,100.1
Other current assets	229.4	275.0
Total current assets	8,453.5	7,637.7
Furniture, equipment and leasehold improvements, net	454.3	490.1
Deferred income taxes	334.2	398.3
Goodwill	3,368.5	3,321.0
Other non-current assets	460.3	416.0
<b>TOTAL ASSETS</b>	<b>\$ 13,070.8</b>	<b>\$ 12,263.1</b>
<b>LIABILITIES:</b>		
Accounts payable	\$4,474.5	\$3,828.9
Accrued liabilities	3,112.7	2,768.1
Short-term borrowings	114.8	93.4
Current portion of long-term debt	38.9	215.2
Total current liabilities	7,740.9	6,905.6
Long-term debt	1,583.3	1,638.0
Deferred compensation	486.1	503.2
Other non-current liabilities	402.4	402.2
<b>TOTAL LIABILITIES</b>	<b>10,212.7</b>	<b>9,449.0</b>
Commitments and contingencies (see Note 15)		
Redeemable noncontrolling interests (see Note 5)	291.2	277.8
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred stock, no par value, share authorized: 20.0		
Series B share issued and outstanding: 2010 – 0.2; 2009 – 0.5	221.5	525.0
Common stock, \$0.10 par value, shares authorized: 800.0		
shares issued: 2010 – 489.5; 2009 – 486.5		
shares outstanding: 2010 – 489.1; 2009 – 486.1	47.5	47.1
Additional paid-in capital	2,456.8	2,441.0
Accumulated deficit	(63.7)	(324.8)
Accumulated other comprehensive loss, net of tax	(119.0)	(176.6)
	2,543.1	2,511.7
Less: Treasury stock, at cost: 0.4 share	(14.1)	(14.0)
Total IPG stockholders' equity	2,529.0	2,511.7
Noncontrolling interests	37.9	38.6
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>2,566.9</b>	<b>2,536.3</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 13,070.8</b>	<b>\$ 12,263.1</b>

The accompanying notes are an integral part of these financial statements.

**THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(Amounts in Millions)**

	Years ended December 31,		
	2010	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income	\$ 281.2	\$ 143.4	\$ 318.0
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation and amortization of fixed assets and intangible assets	148.4	169.9	173.3
Provision for uncollectible receivables	10.7	19.3	17.0
Amortization of restricted stock and other non-cash compensation	50.0	49.5	80.1
Net amortization of bond (premiums) discounts and deferred financing costs	(4.4)	12.1	28.7
Loss on early extinguishment of debt	0.1	25.1	0.0
Deferred income tax provision	56.0	89.2	51.9
Other	24.9	13.4	29.0
<b>Changes in assets and liabilities, net of acquisitions and dispositions, providing (using) cash:</b>			
Accounts receivable	(547.6)	179.5	283.9
Expenditures billable to clients	(122.8)	19.7	69.7
Other current assets	(0.2)	33.1	(19.2)
Accounts payable	646.3	(270.0)	6.8
Accrued liabilities	287.5	136.6	(147.7)
Other non-current assets and liabilities	(12.8)	(80.0)	(26.2)
Net cash provided by operating activities	817.3	540.8	865.3
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sales of businesses and investments, net of cash sold	53.6	11.1	27.9
Acquisitions, including deferred payments, net of cash acquired	(61.9)	(72.4)	(106.0)
Capital expenditures	(96.3)	(67.1)	(138.4)
Net (purchases) sales and maturities of short-term marketable securities	(2.5)	158.5	(154.3)
Purchases of investments	(2.2)	(1.9)	(35.6)
Other investing activities	0.8	1.2	2.1
Net cash (used in) provided by investing activities	(108.5)	29.4	(404.3)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repurchase of preferred stock	(265.9)	0.0	0.0
Payments of long-term debt	(217.3)	(783.4)	(201.8)
Proceeds from issuance of 10.00% Senior Notes due 2017	0.0	587.7	0.0
Capped call transaction costs	(22.8)	0.0	0.0
Issuance costs and fees	(9.8)	(19.2)	(11.3)
Net increase (decrease) in short term bank borrowings	17.4	0.0	(23.7)
Distributions to noncontrolling interests	(21.5)	(22.2)	(14.6)
Preferred stock dividends	(19.6)	(27.6)	(27.6)
Other financing activities	(8.2)	(2.3)	3.2
Net cash used in financing activities	(547.7)	(267.0)	(275.8)
Effect of foreign exchange rate changes on cash and cash equivalents	19.4	84.8	(92.9)
Net increase in cash and cash equivalents	180.5	388.0	92.3
Cash and cash equivalents at beginning of period	2,495.2	2,107.2	2,014.9
Cash and cash equivalents at end of period	\$ 2,675.7	\$ 2,495.2	\$ 2,107.2

The accompanying notes are an integral part of these financial statements.

**4.5.3** *If the information in Section 4.5.2 is not available at the time of submission, the Proposer shall provide other proof of financial responsibility acceptable to the Texas Lottery prior to the deadline for submission of Proposals.*

TM Advertising has read, understands and will comply with these requirements.

**4.5.4** *The Texas Lottery reserves the right to require any additional information necessary to determine the financial integrity and responsibility of the Proposer.*

TM Advertising has read, understands and will comply with these requirements.

**4.5.5** *The Proposal must include a certification that the Proposer will notify the Texas Lottery of a change in financial condition during the Contract term and any renewal thereof. If a Proposer experiences a substantial change in its financial condition prior to the award of any Contract pursuant to the RFP, or if the Successful Proposer experiences a substantial change in its financial condition during the term of the Contract or any extension thereof, the Texas Lottery must be notified of the change in writing at the time the change occurs or is identified. Failure to notify the Texas Lottery of such substantial change in financial condition will be sufficient grounds for rejecting the Proposal or terminating any Contract. For the purposes of this section, examples of a substantial change in financial condition are events such as insolvency, bankruptcy or receivership.*

TM Advertising has read, understands and will comply with these requirements.

TM Advertising certifies that we will notify the Texas Lottery of any change in financial condition during the Contract term and any renewal thereof.

## **4.6 Background Investigations**

**4.6.1** *The Texas Lottery Commission may initiate investigations into the backgrounds of (a) any Apparent Successful Proposer; (b) any of the Apparent Successful Proposer's officers, directors, investors, owners, partners and other principals, as more particularly described in Texas Government Code ANN. § 466.155, (collectively, Apparent Successful Proposer Principals); (c) any of the Apparent Successful Proposer's employees; (d) any of the Apparent Successful Proposer's Subcontractors, or the Subcontractors' officers, directors, investors, owners, partners, principals or employees (collectively, Subcontractor Personnel); or (e) any other associates of the Apparent Successful Proposer it deems appropriate. The Texas Lottery Commission may also request background information for a spouse, child, brother, sister or parent residing as a member of the same household in the principal place of residence of the Apparent Successful Proposer, any Apparent Successful Proposer Principals, or Apparent Successful Proposer employees described above. Such background investigations may include fingerprint identification by the Texas Department of Public Safety and the Federal Bureau of Investigation, and any other law enforcement agency. The Texas Lottery may reject a Proposal and/or terminate any Contract resulting from this RFP based solely upon the results of these background investigations.*

TM Advertising has read, understands and will comply with these requirements.

**4.6.2** *In order to facilitate the background investigations, the Apparent Successful Proposer, including the parent or subsidiary of the Apparent Successful Proposer, must complete and return:*

- a. the Texas Lottery's Background Information Certified List of Vendor Principals Form (located in Attachment E-1) within three (3) business days, or as otherwise directed by the Texas Lottery, after the written Announcement of the Apparent Successful Proposer.*
- b. the Texas Lottery's Vendor Background Investigation Packet (Attachment E) within ten (10) business days, or as otherwise directed by the Texas Lottery, after the written Announcement of the Apparent Successful Proposer.*

TM Advertising has read, understands and will comply with these requirements.

**4.6.3** *Texas Lottery reserves the right to require additional background information.*

TM Advertising has read, understands and will comply with these requirements.

**4.6.4** *The Successful Proposer agrees that, during the term of the Contract and any extension thereof, it shall be obligated to provide such information about any principals, employees, and Subcontractor personnel as the Texas Lottery may prescribe. The Successful Proposer also agrees that the Texas Lottery may conduct background investigations of such persons.*

TM Advertising has read, understands and will comply with these requirements.



The background features a repeating pattern of overlapping, hand-drawn ovals in a light beige color. A prominent, dark diagonal line runs from the top-left towards the bottom-right, bisecting the pattern. On the left edge, there are three white circular punch holes.

HSP



## 5. HUB Subcontracting Plan (HSP)

### 5.1 HSP Requirement

*The Texas Lottery has adopted the rules promulgated by the Comptroller of Public Accounts (CPA) regarding Historically Underutilized Businesses (HUBs) in 34 Texas Administrative Code (TAC) §§ 20.10 – 20.28 (See [http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac\\_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y)). By submitting a Proposal, the Proposer certifies that it has reviewed 34 TAC §§ 20.10–20.28. Rule 20.14 addresses the specific requirements of Historically Underutilized Business subcontracting plans (HSPs).*

TM Advertising has read, understands and will comply with these requirements.

### 5.2 HSP Submission and Texas Lottery Review

**5.2.1** *All proposals must include an HSP (Attachment C, including a Method A or B pages, if applicable) in the format required by the Comptroller of Public Accounts. The HSP is a pass/fail requirement. PROPOSALS THAT DO NOT INCLUDE A COMPLETED HUB SUBCONTRACTING PLAN PREPARED IN ACCORDANCE WITH 34 TEXAS ADMINISTRATIVE CODE (TAC) § 20.14 SHALL BE REJECTED AND WILL NOT BE EVALUATED.*

TM Advertising has read, understands and will comply with these requirements.  
TM Advertising has submitted the HSP Plan in a separate binder per the requirements of the RFP.

**5.2.2** *To determine whether a good faith effort has been performed as required by the Comptroller's HUB rules, the Texas Lottery may request clarifications from Proposers, if necessary. The HSP will be reviewed based on the Proposer's submission and any clarifications requested by the agency.*

TM Advertising has read, understands and will comply with these requirements.

### 5.3 Assistance for Preparation of HSP

**5.3.1** *Pre-Proposal Conference. Proposers are encouraged to attend the pre-proposal conference, which will include a presentation on the HSP requirements. Proposers may ask questions at the pre-proposal conference regarding the HSP. A video of the preproposal conference as well as a copy of the HSP booklet provided during the conference will be posted on the Texas Lottery website.*

*HUB Subcontracting Opportunity Notification Form and HSP Quick Check List. Attached to this RFP is a HUB Subcontracting Opportunity Notification Form (Attachment C-1) and HSP Quick Check List (Attachment C-2) prepared by the Texas Comptroller. Proposers are encouraged to use Attachment C-1 when sending notice of the subcontracting opportunity. Attachment C-2 is intended to assist Proposers in preparing the HSP forms, but is not required to be submitted with Proposals.*

TM Advertising has read, understands and will comply with these requirements.

**5.3.2** *Additional TLC Assistance. During the period following issuance of the RFP and up to fifteen (15) Working Days prior to the deadline for proposals, the TLC will:*

- Review draft HSP forms submitted by any Proposer and provide feedback to that Proposer only; and/or
- Schedule one-on-one workshops with a Proposer to discuss HSP requirements and/or to review draft HSP forms, at the Proposer's request.

TM Advertising has read, understands and will comply with these requirements.

**5.3.3** *The Texas Lottery also will respond to any written questions regarding the HSP process that are submitted in writing, up to the date of the deadline for Proposals.*

TM Advertising has read, understands and will comply with these requirements.

## **5.4 Requirements for Completing the HSP Forms**

**5.4.1** *TLC's HUB Participation Goal. The goods and/or services requested in this RFP are classified in the category of Other Services Contracts. The agency's HUB participation goal for this RFP is 24.6%.*

TM Advertising has read, understands and will comply with these requirements.

TM Advertising is pleased to present an HSP Plan that far exceeds the Texas Lottery's HUB participation goal for this RFP.

**5.4.2** *Requirements of a HUB subcontracting plan. Each Proposer shall complete the HSP forms prescribed by the Comptroller (Attachment C, C-1 and/or C-2) which shall include the following:*

- (A) certification the Proposer has made a good faith effort to meet the requirements of 34 Texas Administrative Code (TAC) § 20.14;*
- (B) identification of the subcontractors that will be used during the course of any contract resulting from this RFP;*
- (C) the expected percentage of work to be subcontracted; and*
- (D) the approximate dollar value of that percentage of work.*

*Each Proposer shall provide documentation required by the agency to demonstrate compliance with good faith effort requirements prior to contract award. If a Proposer fails to provide supporting documentation (phone logs, fax transmittals, electronic mail, etc.) within the timeframe specified by the agency to demonstrate compliance with this subsection prior to contract award, the Proposal shall be rejected for material failure to comply with Texas Government Code §2161.252 (b).*

TM Advertising has read, understands and will comply with these requirements.

## **5.5 Subcontracting Opportunities**

**5.5.1** *The Texas Lottery has identified the following potential subcontracting opportunities under this RFP.*

### **Class 037: AMUSEMENT, DECORATIONS, ENTERTAINMENT, GIFTS, TOYS, ETC.**

*Item Numbers and Commodity Descriptions:*

**37-25** *Carnival and Fair Equipment, Accessories and Supplies*

**37-52** *Novelties and Advertising Specialty Products, Including Biodegradable*

**37-78** *Souvenirs: Promotional, Advertising, etc.*

### **Class 578: MISCELLANEOUS PRODUCTS (NOT OTHERWISE CLASSIFIED)**

*Item Numbers and Commodity Descriptions:*

**578-31** *Display and Showroom Equipment and Supplies (Including Exhibit Booths)*

### **Class 915: COMMUNICATIONS AND MEDIA RELATED SERVICES**

*Item Numbers and Commodity Descriptions:*

**915-01** *Advertising Agency Services*

**915-04** *Advertising, Outdoor Billboard, etc.*

- 915-06** *Audio Production*
- 915-08** *Audio Media Duplicating Services (Incl. Cassettes, CD Roms, Tapes, etc.)*
- 915-14** *Broadcasting Services, Radio*
- 915-15** *Broadcasting Services, Television*
- 915-26** *EDI (Electronic Data Interchange) Value Added Network (VAN) Services*
- 915-27** *Editorial Services*
- 915-42** *Film and Slide/Tape Production Services*
- 915-48** *Graphic Arts Services (Not Printing)*
- 915-58** *Mailing Services (Incl. Addressing, Collating, Packaging, Sorting and Delivery)*
- 915-59** *Mail Services, Express*
- 915-71** *Newspaper and Publication Advertising*
- 915-72** *Photography (Not Including Aerial Photography)*
- 915-74** *Radio Commercial Production*
- 915-78** *Television Commercial Production*
- 915-82** *Video Production*
- 915-90** *Video Media Duplicating and Production Services (Including CD Roms, Tapes, etc.)*
- 915-96** *Web Page Design, Management and Maintenance Services*

**Class 918: CONSULTING SERVICES**

*Item Numbers and Commodity Descriptions:*

- 918-07** *Advertising Consulting*
- 918-76** *Marketing Consulting*

**Class 920: DATA PROCESSING, COMPUTER, AND SOFTWARE SERVICES**

*Item Numbers and Commodity Descriptions:*

- 920-28** *Emergency Back-up Services and Facilities for Data Processing*

**Class 961: MISCELLANEOUS SERVICES, NO. 1 (NOT OTHERWISE CLASSIFIED)**

*Item Numbers and Commodity Descriptions:*

- 961-04** *Artists (Including Digital Artists)*
- 961-22** *Costume Design and Creation Services*
- 961-49** *Legal Services, Attorneys*
- 961-53** *Marketing Services (Incl. Distribution, Research, Sales Promotions, etc.)*
- 961-57** *Musical Production Services*
- 961-71** *Talent Agency Services*
- 961-75** *Translation Services*

**CLASS 962: MISCELLANEOUS SERVICES, NO. 2 (NOT OTHERWISE CLASSIFIED)**

*Item Numbers and Commodity Descriptions:*

- 962-03** *Actor/Thespian Services*
- 962-05** *Amusement and Entertainment Services*

**962-24** Courier/Delivery Services (Including Air Courier Services)

**962-34** Event Planning Services

**962-60** Party, Holiday and Event Decorating Services

**962-79** Sign Making Services

**962-86** Transportation of Goods and Other Freight Services

**CLASS 965: PRINTING PREPARATIONS: ETCHING, PHOTOENGRAVING, AND PREPARATION OF MATS, NEGATIVES AND PLATES**

*Item Number and Commodity Descriptions:*

**965-15** Artwork, Camera Ready

**965-46** Graphic Design Services for Printing

**965-70** Pre-Press: Color Separations, Composite Film, Stripping, Chromolin or Match-Print Proof, etc.

**CLASS 966: PRINTING AND TYPESETTING SERVICES**

*Item Number and Commodity Descriptions:*

**966-57** Offset Printing, General, Small Press Work (Quan. up to 25,000), One or More Colors, No 4 Color Processes or Large Solids or Close Registration; up to 11 x 17 In.: Brochures, Newsletters, Covers, Posters, etc.

**966-60** Printing, Large Production Runs (Quan. up to 100,000); 4 Color Process or Close Registration Required: Color Brochures, Maps, etc.

**966-84** Silk Screen Printing

**966-86** Specialty Printing: Die Cutting, Laser, Plastic, Thermography, etc. (Folders, Invitations, Tabs, Binders, etc.)

**CLASS 971: REAL PROPERTY RENTAL OR LEASE**

*Item Number and Commodity Descriptions:*

**971-70** Storage Space Rental or Lease

TM Advertising has read, understands and will comply with these requirements.

**5.5.2** *The potential subcontracting opportunities listed above may or may not be areas that a Proposer would subcontract, depending on that Proposer's existing resources, employees, and business model. Further, Proposers are not limited to the list above, and may identify additional areas of subcontracting. Proposers who intend to subcontract are responsible for identifying all areas that will be subcontracted and shall submit a completed HSP demonstrating evidence of good faith effort in developing that plan.*

TM Advertising has read, understands and will comply with these requirements.

**5.5.3** *A list of HUB vendors registered with the Comptroller of Public Accounts (CPA) for the subcontracting opportunities identified above is included under the HUB/CMBL tab of this RFP. Note that currently active certified HUBs will have a status code of "A." All other status codes indicate that a vendor is inactive or not a HUB.*

TM Advertising has read, understands and will comply with these requirements.

**5.5.4** *Please refer to the HUB/CMBL Directory Instructions and HUB Vendor Reference Lists under the HUB/CMBL tab of this RFP to locate potential HUB Subcontractors.*

TM Advertising has read, understands and will comply with these requirements.

## **5.6 Post Contract Award**

### **5.6.1** *Notification of Subcontractors*

*Following Contract Award, the Successful Proposer must provide notice to all subcontractors (HUBs and Non-HUBs) of their selection for the awarded Contract. The Successful Proposer is also required to provide a copy of each notice to the agency's point of contact for the Contract no later than ten (10) Working Days after the Contract is awarded. Proposers should refer to Section 4 of the HSP form for additional information about this requirement.*

TM Advertising has read, understands and will comply with these requirements.

### **5.6.2** *HSP Changes*

*Following Contract Award, any proposed changes to the HSP must be submitted, in writing, by the Successful Proposer to the Texas Lottery for prior review and must be approved by the Texas Lottery in writing before becoming effective under the Contract.*

TM Advertising has read, understands and will comply with these requirements.

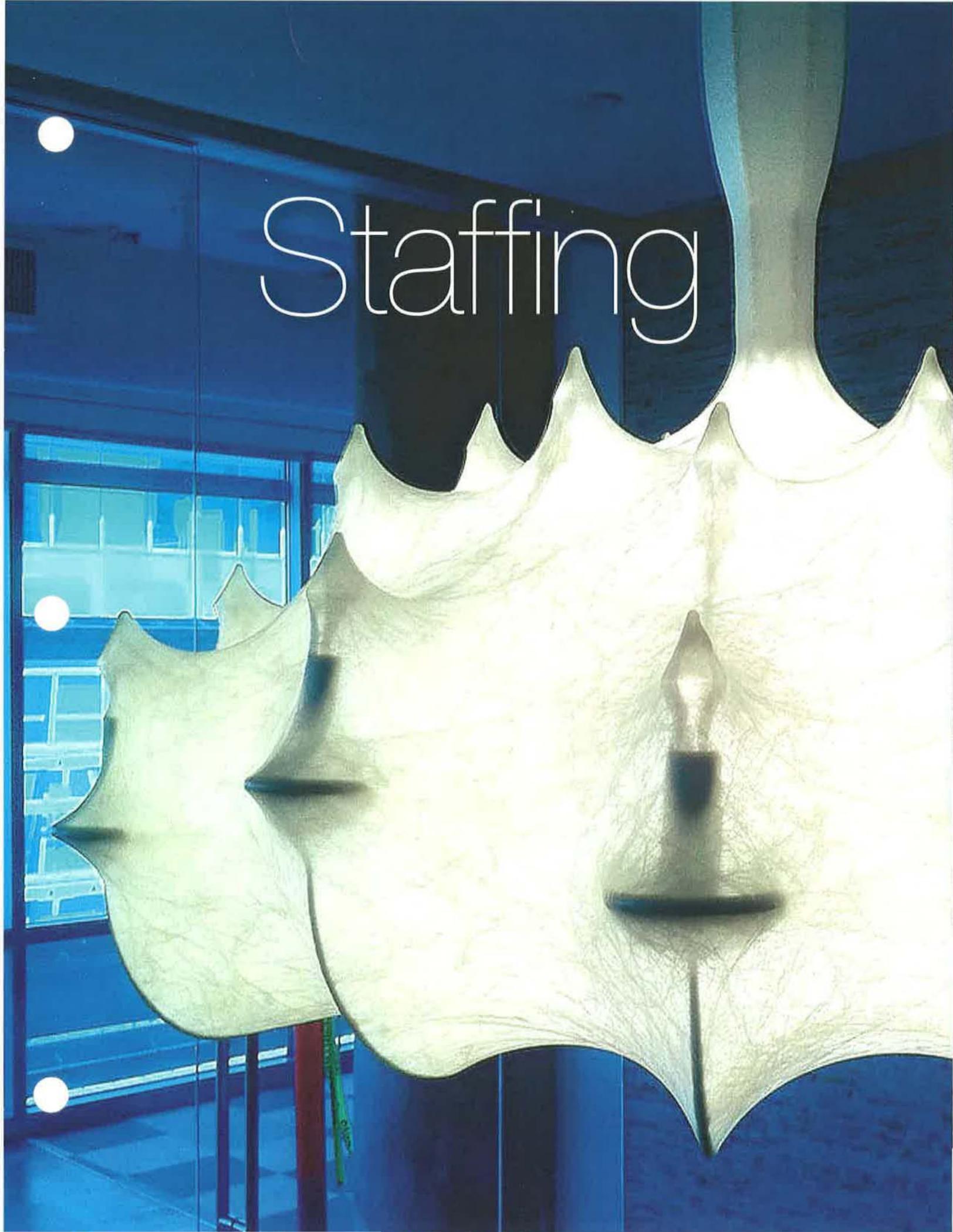
### **5.6.3** *HSP Reporting*

*Following Contract Award, if the Successful Proposer is subcontracting, the Successful Proposer shall maintain business records documenting compliance with the HSP and shall submit a monthly compliance report in the format required by the Texas Lottery. The monthly compliance report shall be submitted to the Texas Lottery by the 10th of the following month or on the date requested by the agency's HUB Coordinator or his/her designee. The submission of the monthly compliance report is required as a condition of payment.*

TM Advertising has read, understands and will comply with these requirements.



# Staffing





## 6. Advertising Agency Staffing Requirements

### 6.1 Ad Agency Staffing

**6.1.1** *Employees of the Successful Proposer assigned to the Texas Lottery account must have substantial experience marketing retail products via mass media as well as the retail environment. It is crucial that the Successful Proposer and the team assigned to work on the Texas Lottery account demonstrate the skills required to effectively reach and communicate with the diverse population of Texas. Proposers shall provide detailed résumés for all personnel who may be assigned to the Texas Lottery account.*

### Our Approach to Building the Right Team

At TM, our people make the difference. And we know most agencies make that claim, but we truly believe that a powerful team collaborating with a visionary client leads to great things. We are a group of highly motivated and passionate people who are also, dare we say, fun to work with every day. We've assembled a team for the Texas Lottery who has a wealth of industry experience, a passion for delivering powerful and innovative communication solutions and a commitment to building a long-term relationship with you built on mutual trust and respect. Each team member within TM and our subcontracted partners has been hand chosen to provide the Lottery with the right balance of experience and expertise in several critical areas.

#### 1. Marketing of retail products

Our team, collectively, has decades of experience marketing retail products. This team has driven business results in the fast-paced, competitive retail category for clients like American Airlines, Captain D's, 7-Eleven, Harrah's Casino, Western Union, JCPenney and Home Depot. Our team has also worked with clients to successfully market their brands within the retail environment, including Bausch + Lomb, General Mills, Frito-Lay and Proctor & Gamble.

Our team understands what it takes to drive consumers to a retail outlet and to push products off the shelf within those environments. It takes a strategy that defines a brand's proposition to its audience that is motivating and relevant. It takes a creative idea that delivers that proposition in an attention-getting way, while remaining flexible enough to house within it hard, call-to-action messages. It takes an innovative media approach to intercept consumers at critical consideration and decision moments – in an ever-increasingly crowded and evolving media landscape. And it takes constant measurement and reevaluation of tactics to continually drive and improve sales response.

#### 2. Marketing to the diverse population of Texas

Marketing to a diverse consumer audience, demographically and psychographically, is second nature to us. Through this team's global marketing efforts as lead agency on accounts such as American Airlines and Texas Tourism, they understand how consumers with widely varying

perspectives, cultures and languages view the brands we steward, how they use them and what will motivate them to use them more often or try them for the first time.

### 3. Operating within the fast-paced, detail-oriented and mindful environment required by a complex government account

At TM, we are very proud of the fact that we spent more than 15 years marketing the State of Texas as a premier destination to potential vacationers from all over the world while working with the Texas Tourism business. We have the people, systems and procedures in place that will make the day-to-day components of the Lottery account run smoothly and efficiently. We also understand your position and responsibilities as a marketer within a government organization and we continually strive to make your working relationship with the agency as easy as possible, while also delivering marketing programs that drive results.

### 4. Superior Team Leadership

Susan Scull, SVP, Group Account Director, will be your lead, providing brand stewardship and strategic leadership within the organization and ensuring the right resources are aligned to meet your objectives and operate in the most efficient and collaborative way possible. Susan will lead a seasoned account management team who she has hand-picked for the Texas Lottery based on the knowledge and skills required to successfully manage the account. Susan will also lead a team of senior agency partners – across strategy, creative, media, promotions and production – who will be the brain-trust that drives insights, strategies and communications that deliver business results. Some important attributes that Susan will bring to the Texas Lottery are:

- More than 20 years' experience leading integrated marketing programs across multiple audiences and across multiple agency partners for JCPenney, Texas Tourism and Dean Foods, to name a few
- Impactful, big-picture marketing perspective while also minding the details – and she manages her team to equally high standards
- Resourceful, natural problem-solver and creative thinker with your success always top of mind
- And last, but not least, you will find her very easy to work with – accessible, open to feedback and committed to a successful and productive working relationship

## Lottery Retail Advisory Board

In addition to an experienced, effective and dedicated Lottery account team, the Texas Lottery Commission will benefit from the consultative efforts of our Retail Advisory Board. This board is made up of seasoned professionals with decades of experience driving sales within a retail environment – within both agency and client organizations. This board includes pioneers in the emerging shopper marketing discipline – bringing to bear for the Lottery a best-in-class approach to understanding and shaping customer shopping behavior.

Consultation sessions with this team will be provided twice a year to the Lottery as an added-value, no-charge service. The Texas Lottery Retail Advisory Board will consist of the following experts:

President of Shopper Sciences, IPG Retail Lab  
Global Director of Shopper Sciences, IPG Retail Lab  
CMO, Michael's Stores  
Former CMO, 7-Eleven  
SVP of Client Service, TPN

John Ross  
Devora Rogers  
Paula Puleo  
Rita Bargerhuff  
Cathy Brown

The Retail Advisory Board will focus on issues and opportunities that are identified jointly by the agency Texas Lottery team and the Texas Lottery client and may include topics such as emerging retail trends, the changing retail landscape, channel relationship development, customer loyalty strategies, etc.

## **Team Résumés**

Following are detailed résumés for all personnel who will be assigned to the Texas Lottery account. Each résumé highlights the unique skills that member will bring to bear for the Texas Lottery and provides details on marketing experience, work history, past clients, education and fellow marketing professionals who will be happy to provide a reference for that team member. Please note that the job titles listed on the résumés are consistent with the Texas Lottery's job titles. Some of our team members function in a specific area of expertise. In those instances, that specialty is in parentheses following the Texas Lottery RFP title.

Résumés for the team assigned to the Lottery account are first. These are followed by the résumés for the senior management team that oversees all clients served by the agency and the résumés of the experts who will serve on the Texas Lottery Retail Advisory Board.

Our agency team, along with our Lottery Retail Advisory Board, will deliver a collective organization that is poised to hit the ground running. We'll deliver a fresh and impactful approach to driving immediate and long-term sales, while also creating a smooth, stress-free working relationship. Each and every one of us looks forward to putting our passion and expertise to work for you.



“Texas is a complex market; the Lottery is a complex brand proposition with complex messaging challenges. I thrive on analyzing a brand’s market and consumer position and peeling away the complexity to reveal the core strategic opportunities that will drive results.”



## Susan Scull Group Account Director

*Susan is an account leader, a steward, a business partner with her clients, who always keeps their objectives and goals at the forefront of her work.*

### Experience

*Susan brings more than 20 years of experience in building successful brands through consumer-centric marketing strategies. One of her key strengths is the ability to analyze a brand’s market and consumer position in order to reveal the core strategic opportunity. She then works hard, inspiring the team around her, to craft innovative solutions that create and solidify loyalty relationships between a brand and their customers. Her vast experience includes work with major, national-scale clients: JC Penney, Domino’s Pizza, Bank of America, Enterprise Rent-A-Car, PepsiCo, Frito-Lay and Captain D’s. She has also done excellent work for a couple of beloved Texas clients: Texas Tourism and HEB grocery stores.*

*Susan also brings considerable experience and skill with shopper-marketing strategies. Specifically, her work with Best Buy centered on analysis of consumer shopping habits. As a co-creator of a local marketing engine for Best Buy, she enabled store-level autonomy that increased speed to market by 70%, while also protecting the overall brand image and lowering production costs by 20%.*

### Work History

TM Advertising	2010–Present	DDB Dallas	1999–2006
RAPP	2008–2010	Gleason/	
Advantage-Retail	2006–2008	Calise Associates	1997–1999
(shopper marketing		Temerlin McClain	1993–1997
division of DDB)		Point Communications	1990–1993

### Education

*Susan earned her BFA degree in Advertising and Design from Texas Tech University.*

### References

Janet Bustin	Paula Puelo, CMO	Holly Hynes
Former President –	Michael’s Stores	Former Sr. Director,
DDB Dallas	214.908.9255	Marketing – Direct Energy
Marketing Consultant	Jonathan Muhtar, CMO	Senior Vice President,
Myzme	Captain D’s	Marketing
214.707.8255	615.231.2151	Huntington National Bank
		614.312.8245



“I remember early in the 1990s the excitement that my family had as the first scratch-off tickets were sold. That excitement and enthusiasm that they had is what makes me want to relive those moments in other people’s lives.”

**BROMLEY** **Linda Aguayo** Account Director (multicultural specialist)

*As a mother of four children, Linda is always up for a game of basketball, playing Barbies or doing homework. And as an Account Director, Linda is up for rolling up her sleeves and getting the work done – no matter the size of the task.*

**Experience**

*With almost 15 years of advertising experience, Linda has worked with Fortune 500 companies, big and small. In the late '90s when multicultural was merely a thought in people's minds, Linda was overseeing and creating marketing plans that targeted multiple ethnic groups with key strategic insights that resonated across segments with the same communication. Recently, with established brands like the National Basketball Association and Susan G. Komen for the Cure, Linda has helped in revolutionizing the way they speak to Hispanics through the creation of original platforms.*

*She knows that much of her professional success could not have been attained without the help of talented individuals. By building strong relationships across disciplines, she has been able to bring out the best in everyone and ensure that her clients are receiving the best thinking. She truly values the thinking of every individual and believes it takes a TEAM to generate positive results.*

**Work History**

<i>Bromley Communications</i>	<i>May 2002–Present</i>
<i>Global Hue</i>	<i>May 1997–May 2002</i>
<i>Cartel Creativo</i>	<i>February 1996–May 1997</i>

**Education**

*Linda graduated from Our Lady of the Lake University in 1993 with a bachelor's degree in Communication Arts.*

**References**

<i>Saskia Sorrosa</i>	<i>Andreina Gonzalez</i>
<i>VP, Multicultural Marketing</i>	<i>Marketing Director</i>
<i>National Basketball Association</i>	<i>Western Union</i>
<i>ssorrosa@nba.com</i>	<i>andreina.gonzalez@westernunion.com</i>



“I like scratch-off tickets. I like the enjoyment that the Texas Lottery offers people. Mostly, I like how much the Texas Lottery gives back to my home state.”



## Erin Jackson Account Director

Erin lives each day with this mentality: “Positive thinking will let you do everything better than negative thinking will.” Lots of hard work helps too, of course.

### Experience

Erin brings a wide range of experience to the TM Advertising family. Some of the many clients that she has worked with during her advertising career include: Verizon, Paris/Las Vegas Casino and Resort, The Flamingo/Las Vegas, Nationwide Insurance, ExxonMobil, superpages.com, Discovery Channel, Discover Network, SuperMedia, Statoil North America and WFAA Channel 8.

With each client, Erin has helped produce excellent work through her constant positive thinking, which always allows her to do things better – and be more creative – for each client.

### Work History

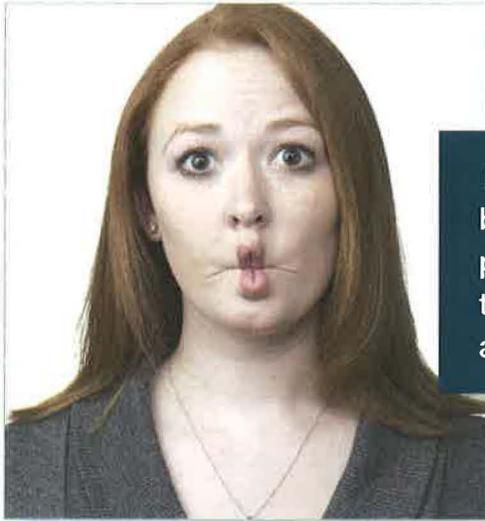
TM Advertising	June 2007–Present
Sabre Holdings	April 2006–June 2007
TM Advertising	June 2000–April 2006
The Richards Group	February 2000–May 2000

### Education

Erin earned her degree in Advertising from the University of North Texas.

### References

Ronda Gibbons White Promotion Director WFAA Channel 8 rwhite@wfaa.com	Mary Lewis Manager, Advertising and Creative Expression HP Enterprise Services mary.lewis@hp.com
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“I enjoy how the Texas Lottery brings people together and gives them permission to dream a little. I like the thought of bringing people a smile and a little bit of hope.”



## **Chelsi Runyan** Account Supervisor

*Chelsi is always one to “keep calm and carry on.” Whatever comes her way, she’s proactive about going forward. Chelsi gets things done, and she doesn’t let herself get swayed easily.*

### **Experience**

*Chelsi brings a wealth of experience to TM Advertising. Her digital experience includes social media for the purpose of building brand loyalty, SEO, e-mail newsletter campaigns and managing digital production for multiple campaigns. The many clients she has worked which include: Nationwide Insurance, Texas Tourism, Daikin AC, Captain D’s, Bausch + Lomb, Baker Botts and numerous others.*

*Chelsi’s overall advertising expertise stems from a solid experience base, having worked at other major Dallas advertising agencies prior to coming to TM. In the past, Chelsi has also been part of Publicis Mid-America and DDB Dallas.*

### **Work History**

<i>TM Advertising</i>	<i>December 2007–Present</i>
<i>Publicis Mid-America</i>	<i>December 2005–December 2007</i>
<i>DDB Dallas</i>	<i>Summer 2005</i>

### **Education**

*Chelsi graduated from Texas Tech University with a degree in Advertising and a minor in Marketing.*

### **References**

*Sean Dorminy  
Brand Management  
The Richards Group  
spdorminy@sbcglobal.net*

*Mike Embry  
Senior Vice President &  
Senior Marketing Manager  
BOK Financial  
membry@bokf.com*



“There is a special tie to the Texas Lottery for me, especially having grown up in a household with parents who have played the Texas Lottery on a weekly basis since it launched in 1992. I can remember my parents allowing my sister and me to pick our own ‘winning numbers’ from time to time and watching closely as the numbers were announced on the 10 o’clock newscast.”

**BROMLEY**

**Kimberly Jackson-Garcia** Account Supervisor (multicultural specialist)

*Kimberly has learned over the years that creative ideas can come from anywhere, anyone and from any time. However, the true skill comes in identifying the great ideas and expanding them into strategic marketing campaigns that truly impact the marketplace and the consumer – now that’s brilliance!*

**Experience**

*Kimberly is a well-rounded marketing professional, having been one of the few privileged Bromley employees to be on the unofficial Bromley rotational program since she started at the agency in 2002. Her career began as a public relations intern. Later she was hired as a full-time PR executive and worked on a variety of accounts, including Western Union, Terra.com, San Antonio Convention & Visitors Bureau, AstraZeneca, Burger King, Nestlé, Circuit City and KLRN and the San Antonio Convention & Visitors Bureau account teams.*

*She later transferred to the promotions department where she was responsible for the development and implementation of integrated promotional campaigns on a variety of accounts, managing the award-winning Wonka Arte Program, which brought home the Silver Award in Multi-Cultural category at the 2008 Promotional Marketing Association (PMA) Reggie Awards. Kimberly made her move into the account management department in late 2009, where she has provided strategic leadership and project management on such accounts as Citibank, Proctor & Gamble, Genentech and, most recently, General Mills.*

**Work History**

*Bromley Communications January 2002–Present*

**Education**

*Kimberly graduated from The University of Texas at San Antonio in 2003 with a bachelor of arts degree in Communications and a minor in Marketing.*

**References**

*Chris Armacost  
Marketing Manager  
Yoplait KidZone  
chris.armacost@genmills.com*

*Sonia Q. Canales  
Public Information Officer  
City of San Antonio  
sonia.canales@sanantonio.gov*



“I find the opportunity to work on the Texas Lottery fun and very satisfying. What excites me most is the prospect of working to enhance a brand that provides essential funds to Texas education.”



## Mary Roland Account Executive

*In everything that Mary does as an Account Executive at TM Advertising, she abides by this simple but powerful philosophy: Whatever you do, commit completely with your whole heart.*

### Experience

*Mary brings a wide array of talents and skills to her work at TM. In her role with Texas Tourism, Mary has been responsible for promo items, print media insertions, Google Analytics reports, co-op print programs, changes to the TravelTex.com Web site, e-mail newsletter programs and a host of other duties. She performed each task with complete, whole-hearted commitment.*

*Prior to coming to TM, Mary gained valuable experience working in various industries. She has worked in the entertainment industry as a writer, director and producer. In addition, as a publisher and editor for Visitation magazine, Mary brings a strong attention to detail and know-how with communicating to the diverse populations of Texas.*

### Work History

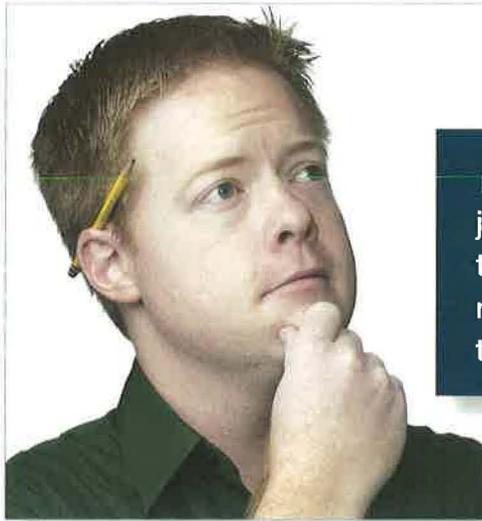
TM Advertising	October 2010–Present
Little Writer Productions	2005–Present
Goatman Hill Productions	June 2010–January 2011
Freelance Editor/Writer	April 2009–October 2010
Motorola	2006–2008
Freescale	2000–2006
Quest Electric	1998–2000
Visitation Magazine	1996–1998

### Education

*Mary attended Angelo State University.*

### References

Trishia Daniel Senior Account Manager EnviroMedia tdaniel81@yahoo.com	Greg Dorchak Actor, Writer, Graphic Artist BlueYak Productions gdorchak@hotmail.com
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“The most rewarding thing about my job is seeing the campaigns that my team creates not only bring success to my clients, but more importantly touch the lives of consumers.”

## **BROMLEY** Robert Admire Account Executive (multicultural specialist)

*“You can’t keep doing the same thing and expect different results.” This is how Robert approaches each account he works on.*

### **Experience**

*TV? Check. Digital? Check. Out of Home? Check. Radio? Check. Social? Check. Retail? Check. There really isn’t a medium that Robert hasn’t mastered and woven into strategic, fully integrated 360-degree campaigns for clients in a wide variety of industries. He’s worked on TV, radio, digital, social and print efforts for Totino’s Pizza products (General Mills). He’s had great success with member-centric campaigns inclusive of digital, print and direct mail for AAA. He utilized outside-the-box and nontraditional promotional and POS displays for Burger King.*

*Before coming to Bromley, Robert worked on both the client and agency sides in Tampa and Miami, Florida. His account management and leadership skills have brought great success to his clients in both Hispanic and general markets. Always keeping the target market in mind, he tirelessly seeks to understand different populations and markets, getting entrenched with his client’s consumers.*

### **Work History**

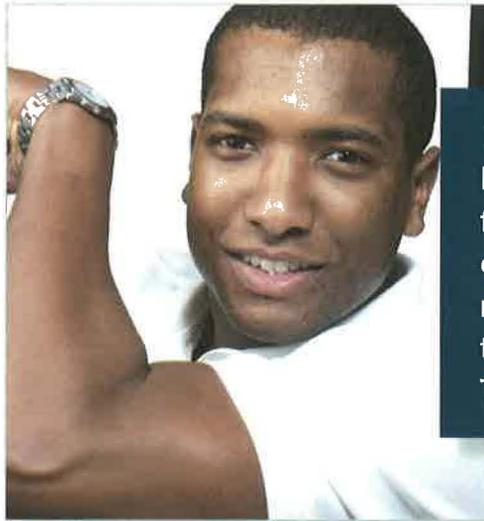
<i>Bromley Communications</i>	<i>September 2010–Present</i>
<i>AAA Auto Club South</i>	<i>January 2009–September 2010</i>
<i>PeakBiety Branding + Advertising</i>	<i>May 2006–December 2008</i>
<i>Ronin Advertising Group</i>	<i>January 2005–May 2006</i>
<i>Crispin Porter + Bogusky</i>	<i>July 2004–December 2004</i>

### **Education**

*Robert graduated from the University of Miami in 2004 with a BBA degree in Marketing.*

### **References**

<i>Lizzie Breyer</i>	<i>Glen Peak</i>
<i>Assistant Marketing Manager</i>	<i>President</i>
<i>General Mills</i>	<i>PeakBiety Branding + Advertising</i>
<i>lizzie.breyer@genmills.com</i>	<i>gpeak@peakbiety.com</i>



“I believe strongly in what the Texas Lottery accomplishes: raising money for public education and supporting the overall Texas community. I want to do my part to get people excited to play the Lottery and increase the number of Texans who play regularly.”



## **Quincy Powell** Junior Account Executive

*Quincy is like a sponge – always eager to absorb all the knowledge and experience opportunities that are available to him. Everything fascinates Quincy, so naturally advertising is a perfect fit.*

### **Experience**

*Quincy recently joined the TM Advertising family in December, and he has quickly established himself within the agency as a dependable and hardworking professional. He currently works on the SuperMedia and Discover accounts, and for them, Quincy is responsible for conducting competitive analyses and keeping clients up to date with weekly status reports. He also enjoys facilitating communication between clients and the creative team at TM.*

*Prior to beginning at TM, Quincy studied at The University of Texas and worked for the university, as well as obtaining an internship with Harwood International. Quincy brings a strong work ethic and high levels of motivation, and he looks forward to taking on more challenges and continually taking advantage of every opportunity that comes his way.*

### **Work History**

<i>TM Advertising</i>	<i>December 2011–Present</i>
<i>Multiview</i>	<i>July 2011–November 2011</i>
<i>The University of Texas</i>	<i>May 2009–July 2009</i>
<i>Harwood International</i>	<i>May 2008–August 2008</i>

### **Education**

*Quincy graduated from The University of Texas in 2011 with a bachelor's degree in Government.*

### **References**

<i>Etta Gager</i>	<i>Kendal Carrillo</i>
<i>Executive Assistant</i>	<i>Financial Analyst</i>
<i>Harwood International</i>	<i>Multiview</i>
<i>egager@harwoodinc.com</i>	<i>kcarrillo@multiview.com</i>



“I really enjoy the Texas Lottery. I love watching the excitement that happens when people play; it’s a great experience to be a part of. I’m also feeling lucky!”



## **Melissa Hinze** Account Coordinator

*Melissa tries to live her life this way: Love and do no harm. Live life to the fullest. Be the best you can be. It’s simple, but it works. She does it every day at TM Advertising.*

### **Experience**

*Melissa has been a key member of the TM family for 17 years. Her work at TM is about keeping our account management teams running smoothly. Her work, in turn, allows the account managers to best serve their clients. Her responsibilities include preparing campaign presentations and generating both weekly and monthly status reports for the account management team, expense reports, competitive analysis reports and meeting reports.*

*She also is vital to the process of creating and maintaining mailing lists and organizing travel arrangements, special event planning/coordination both on-site and off-site and performing administrative support duties.*

### **Work History**

<i>TM Advertising</i>	<i>1995–Present</i>
<i>GCISD</i>	<i>1989–1995</i>

### **Education**

*Melissa attended Tarrant County College.*

### **Reference**

<i>Sundae May</i>	<i>Leah Williams</i>
<i>Corporate Communications/ TAC Reservation Specialist</i>	<i>Compliance Analyst</i>
<i>American Airlines</i>	<i>Fred Loya Insurance</i>
<i>sundae.may@aa.com</i>	<i>williams@fredloya.com</i>



“The Texas Lottery offers an opportunity to help strengthen a fantastic no-gimmick brand. Also, I am eager to take part in working with a brand that brings excitement and joy to people’s lives all across Texas.”



## Elena Petukhova Account Planner

*Elena believes strongly that brand communications based on fresh ideas and grounded in accuracy and consumer-relevancy generate the best results for any client. For her, impactful brands all have elegant simplicity in how they communicate with their consumers. She works hard to make sure that happens with every account she works on.*

### Experience

*Elena is a new addition to the TM Advertising family. Very new. She-just-started-last-week kind of new. She hit the ground running and is very eager to begin lending her considerable talents to serving the clients of TM.*

*Prior to starting at TM, Elena worked for almost seven years as a brand planner for The Richards Group, working with clients such as Home Depot and its traditional media and its in-store and digital initiatives. Through her efforts, Home Depot was able to undergo financial growth and significantly improve customer preference of the brand. She also has experience working on government accounts. In 2005, Elena worked for the Austin Visitors Bureau to develop an integrated communication plan for the Austin Rebranding Project.*

### Work History

<i>TM Advertising</i>	<i>February 2012–Present</i>
<i>The Richards Group</i>	<i>September 2005–January 2012</i>
<i>The University of Texas at Austin</i>	<i>October 2004–June 2005</i>
<i>APS Consulting</i>	<i>January 2000–July 2003</i>

### Education

*Elena graduated from Moscow State University in Moscow, Russia, with bachelor’s and master’s degrees in Business Management. She earned her second master’s degree in Advertising from The University of Texas at Austin.*

### References

<i>David Snell</i>	<i>Brian Stout</i>
<i>Director of Brand Planning</i>	<i>Senior Global Strategist</i>
<i>The Richards Group</i>	<i>Leo Burnett</i>
<i>david_snell@richards.com</i>	<i>brstout@gmail.com</i>



“I find the place that the Texas Lottery has assumed in our culture fascinating. It’s the answer to all of our hopes and dreams and sometimes our only way up or out. ‘If I win the Lottery ...’ – that’s a powerful idea.”

**BROMLEY** **Marisa Medina** Account Planner (multicultural specialist)

*Marisa believes in possibility. Each day brings new potential. That’s only one of the reasons why she enjoys her work.*

**Experience**

*Marisa brings more than 10 years of experience to the Bromley team. In her career, she has worked with a wide range of clients in multiple categories, such as packaged goods, health care, social marketing, tourism and sports/entertainment. One highlight of her career which she is particularly proud of was designing and implementing the research that inspired the launch of a new flavor of Dryer’s ice cream: Las Delicias.*

*Some of the many clients that Marisa has worked with include, among others, Proctor & Gamble, Dial, GMI, Evercare, the truth campaign and the National Basketball Association.*

**Work History**

<i>Bromley</i>	<i>2005–Present</i>
<i>Garcia 360</i>	<i>2003–2005</i>
<i>Bromley</i>	<i>1999–2003</i>

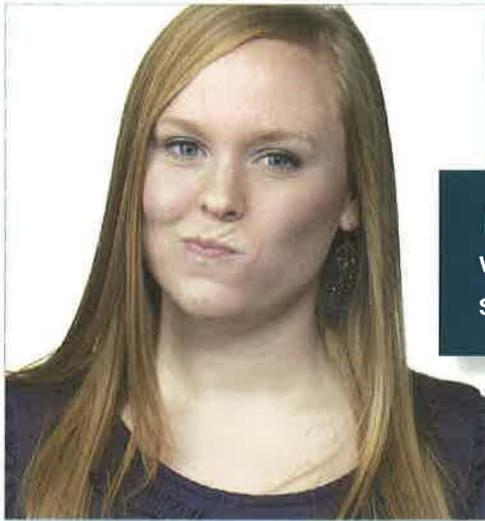
**Education**

*Marisa is a graduate of Southern Methodist University and holds a degree in Public Relations.*

**References**

*Saskia Sorrosa  
Director of Marketing  
National Basketball Association  
ssorrosa@nba.com*

*Luba Smulka  
Senior Manager, Consumer Insights Pillsbury  
General Mills, Inc.  
luba.smulka@genmills.com*



“Working on the Texas Lottery would thrill my grandmother who loves scratch-offs games.”



## **Kelli Naylor** Assistant Account Planner

*Kelli is a fervent believer that one must “pursue your passion, believe there is a way to fix any problem and live by the truth that faith is being sure of what we hope for and certain of what we do not see.”*

### **Experience**

*Kelli is a fresh face at the TM family. Previously working as an intern and recently hired to become an Assistant Strategist, both for TM, Kelli's strong work ethic is matched only by her excitement and eagerness to begin her career in advertising. Her work has been with American Airlines and Baker Botts, engaging in ongoing research initiatives. In addition, she provides secondary research and support in strategic development to the New Business team. She has also lent her considerable talents to conducting Web site usability and segmentation studies for the Texas Tourism account.*

*Before coming to TM, Kelli was engaged in internships with imc2 and Facetime Strategy.*

### **Work History**

*TM Advertising*

*January 2011–Present*

### **Education**

*Kelli received her bachelor's and master's degrees, both in Advertising, from Southern Methodist University.*

### **References**

*Kristen Knape*

*Director of Strategy*

*McGarry Bowen*

*kristenknape@gmail.com*

*Alice Kendrick*

*Professor of Advertising*

*Southern Methodist University*

*akendrick@smu.edu*



“Working with a client that I have personal experience with always brings a smile to my face. The Texas Lottery is one such client.”



## **April Weeks** Media Director

*In an age when it can be hard to tell where media ends and creative begins, it certainly helps to have an innovative thinker like April Weeks working on your account.*

### **Experience**

*April is the driving force for all things media for American Airlines. One of April's favorite responsibilities (and one she's pretty good at, too) is ensuring that any campaign she works on is highly strategic and innovative. April brings to TM more than a decade of digital experience, with skills in display, mobile, search, social and video. In her role as the department lead, April's responsibilities include developing media strategies for clients that are integrated with cross-channel capabilities. The many clients April has worked with include 3M, Fisher-Price, Hilton Hotels Family of Brands, Nationwide Insurance, Bahamas Ministry of Tourism, Procter & Gamble, Texas Tourism, TXU Energy and the U.S. Air Force.*

*With every client she works with, April plays an integral role in helping to establish the communication strategy and relevant touch points. Her main objective is to always meet and exceed client expectations and deliver ROI.*

### **Work History**

*TM Advertising  
Agency.com  
HealthVision  
Targetbase  
Bozell/SixtyFootSpider*

*March 2007–Present  
October 2004–March 2007  
August 2003–October 2004  
February 2001–August 2003  
April 1998–February 2001*

### **Education**

*April is a graduate of The University of Texas at Arlington and holds a bachelor's degree in Communications.*

### **References**

*Dave Weaver  
Chief Executive Officer  
Cheil USA  
dave@questionthedogma.com*

*David Boyd  
Senior Vice President, Client Services  
Targetbase  
dave.boyd@targetbase.com*



“I see life as a game. You either win or lose. But most of the time, it’s up to you. That’s why I want to proactively work on a challenging account like the Texas Lottery.”

**BROMLEY** **Kim Chance** Media Director (multicultural specialist)

*Kim is fascinated with how media continues to evolve and the fact that the consumer takes center stage. The discipline has moved from a “spots and dots” efficiency play to compelling storytelling. “It’s really about making the right connection when a consumer is most receptive to receiving a brand’s message. And when that happens, it’s magic.”*

**Experience**

*Kim pretty much fell into the media discipline right out of college and has never looked back. She brings a history of hands-on experience in marketing and advertising to Texans and the U.S. Hispanic market. She is responsible for leading holistic touch point creation for Bromley’s Hispanic initiatives to drive market share and ROI. Kim always tries to provide strategic guidance across both traditional and nontraditional media offerings to a strong team of media professionals.*

*Kim has extensive knowledge of a wide variety of industries in the Hispanic consumer market, including entertainment, financial services, retail, government and packaged goods. During her Bromley tenure, she has managed the media for top retail storefronts like Western Union, Home Depot, Amoco, Babies “R” Us, Payless ShoeSource and Circuit City. Within the entertainment arena, the San Antonio Spurs and the NBA have been a slam dunk. The Office of National Drug Control Policy (ONDCP) rounds out her experience with the government to stamp out drugs. And giants like General Mills, Clairol and Avon have added packaged goods to her portfolio of accounts.*

**Work History**

Bromley Communications	1995–Present
Thompson Marketing	1990–1994
Helen Thompson Media	1988–1989
Bisch & Morley Advertising	1984–1987
J. Walter Thompson	1982–1983

**Education**

*Kim graduated from Indiana University in 1982 with a bachelor’s degree in Journalism.*

**References**

Saskia Sorrosa VP, Multicultural Marketing National Basketball Association ssorrosa@nba.com	Colleen Hotchkiss VP Communications Planning Zenith GPE colleen.hotchkiss@zenithgpe.com
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“In my eyes, the Texas Lottery is a dynamic product category with wide appeal cutting across multiple audiences. For me, this is a perfect challenge to take on.”



## **Sujatha Parthasarathy** Associate Media Director

*Sujatha does not just ask “How many?” Instead, in her work as Associate Media Director, she is always asking “Who, why, when, where and how?”*

### **Experience**

*Sujatha has spent the last 14 years of her professional life executing local, regional, national and global media buys for numerous clients spanning a wide range of industries. Her campaigns have targeted consumers and businesses across media platforms such as print, broadcast, online, outdoor, direct, mobile and social.*

*A fervent believer in the importance of research, Sujatha has put that practice to work successfully for clients, some of which include Nationwide Insurance, SuperMedia, Toshiba, Green Mountain Energy, Pizza Inn, La Quinta Inn & Suites and Discover Network.*

### **Work History**

<i>TM Advertising</i>	<i>April 2002–Present</i>
<i>Ogilvy &amp; Mather</i>	<i>January 2000–2001</i>
<i>DraftFCB</i>	<i>January 1999–2000</i>

### **Education**

*Sujatha holds a bachelor's degree in Economics from the University of Bombay, as well as a master's degree in Integrated Marketing, Communications and Advertising from MICA in India.*

### **References**

<i>Rachel Bell</i>	<i>Steven Schreibman</i>
<i>Small Business Owner</i>	<i>Finish Line</i>
<i>Standard-Trading</i>	<i>sschreibman@finishline.com</i>
<i>rachelstiverbell@yahoo.com</i>	



“Texas is not only my birthplace, it's the best place to live – ever! I'd be proud to help build funding for my state's education and veterans' programs.”

## **BROMLEY** Toni Ellard Associate Media Director (multicultural specialist)

*Toni has a passion for today's fragmented media environment. She'll glean media resources and stay on top of the latest trends to identify the best ways to connect with her client's targets and help their business grow. Because while "content is king, conversion is queen!"*

### **Experience**

*Toni is a 20-year media veteran with experience across national and regional accounts, spanning traditional and nontraditional media. Most recently, she managed the San Antonio Convention and Visitors Bureau (SACVB), office of Cultural Affairs and San Antonio Visitor's Experience, an attraction and hotel co-op where SeaWorld & Fiesta Texas are major stakeholders. Toni grew SACVB's digital budget year-over-year with programs that included online display, digital sponsorships, online video, e-mail marketing, branded articles and digital travel guides, as well as identified and supervised the SEM/social media agency.*

*Prior to working on general market city accounts, Toni managed Hispanic packaged goods and QSR accounts including Nestlé, M&M Mars, Reynold's Wrap and Burger King. All of these had a common geographical thread, where support in Texas markets was crucial to building their brands.*

### **Work History**

Media Freelancer  
Bromley Communications

October 2011–Present  
April 1991–October 2011

### **Education**

*Toni graduated from The University of Texas in 1989 with a bachelor's degree in Advertising.*

### **References**

Sandy Smith  
Marketing Director  
San Antonio Convention and Visitors Bureau  
SandySmith@visitsanantonio.com

Jeff Stewart  
Director, Corporate Alliances  
Six Flags Fiesta Texas  
jefstewart@sftp.com



“I like when I can work on accounts with products that I believe in and feel passionate about. Not only is playing the Texas Lottery a fun experience for consumers, it also provides additional benefits for the State of Texas by supporting Texas’ education fund and most recently developing a scratch-off ticket with proceeds benefiting the Fund for Veterans’ Assistance program.”



## Jennifer Claybaugh Media Planner (broadcast/print specialist)

*“To repeat what others have said requires education; to challenge it requires brains.” Jennifer believes strongly in this idea, which is why she uses her brains to discover unique ways to use media to her client’s advantage, instead of simple repetition of what others have done.*

### Experience

*In the more than six years that Jennifer has worked at TM Advertising, she has worked on a variety of accounts across multiple industries. Some of her clients include ExxonMobil, Bell Helicopter, Texas Tourism, Discover Network, SuperMedia, Redhook Ale Brewery and Popeyes Chicken & Biscuits. Her experience in media has led Jennifer to work on spot TV, local cable, DRTV, spot radio, local print, guerrilla media, events, OOH, conference media, trade media and TiVo/DVR platforms.*

*For six years, she managed the media for Texas Tourism, and each year Jennifer was able to continually pass previously set lead goals. Working closely with the digital media planning team, she was able to create and customize 360 programs that reached consumers with Texas branding. In addition, she also ensured that all government mandates were followed and reporting timelines were met for all media that was placed.*

### Work History

TM Advertising

June 2005–Present

### Education

*Jennifer holds a bachelor of science degree in Advertising from The University of Texas.*

### References

Franny Karkosak

Director – Lead of Global Strategy & Operations

Mindshare

Franny.Karkosak@mindshareworld.com

Rachel Bell

Owner

Standard-Trading

rachelstiverbell@yahoo.com



“My mother has played the same numbers week after week in many lottery systems across the United States for almost 30 years. I still remember every Sunday the excitement on her face when she would check the paper to see if she hit it big.”



## **Katie Brown** Media Planner (digital specialist)

*Katie believes strongly in this idea: “It is good to have an end to journey toward, but it is the journey that matters, in the end.” The journey that comes with working on various accounts is what drives Katie.*

### **Experience**

*Katie has worked in the digital media space for seven years – all of it at TM Advertising. Some of the many clients she has worked with include American Airlines, American Eagle, Redhook Ale Brewery, Discover Network and Texas Tourism. Her digital planning duties include branding, direct response, search, mobile, recruitment and promotions. Katie also works closely with traditional account teams to determine which delivery strategies are optimal for each respective client.*

*Specifically, Katie’s time spent on the Texas Tourism account has greatly increased her awareness of the resources available within the state that make it a premier destination in the United States.*

### **Work History**

*TM Advertising*

*August 2004–Present*

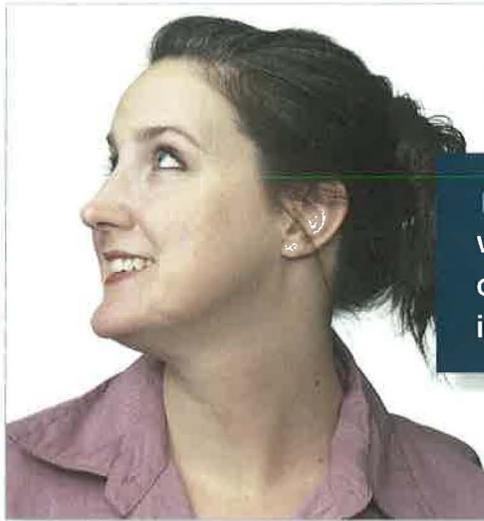
### **Education**

*Katie is a graduate of the University of Central Florida, where she graduated in 2002 with a degree in Advertising and Public Relations.*

### **References**

*Todd M. Tolbert  
Senior Vice President  
Strategic Content Solutions  
TTolbert@SCSbyAVMG.com*

*Ken Pytlik  
Web Applications Architect  
CMG  
kpytlik@cmgrp.com*



“I am personally very excited about working on an account that contributes to our struggling public school system. It's an important mission, one I take seriously.”

**BROMLEY**

**Heather Young-Lira** Media Planner  
(multicultural specialist)

*Heather naturally gravitates toward a holistic approach to media planning, especially when she considers the rapid growth of the digital space beyond desktop and laptop screens.*

**Experience**

*In her role as a Media Planner for Bromley Communications, Heather brings a 360-degree planning approach to any account, which allows her to bring options to the table that are consistently on point and within budget. The majority of Heather's experience has centered on media planning and placement across Texas, often with minority-targeting layers involved.*

*Some of the many clients she has worked with include Whole Foods Market, Time Warner Cable and General Mills brands such as Cheerios and Taco Bell.*

**Work History**

*Bromley Communications  
Young Lira Projects  
The Davis Group*

*August 2010–Present  
November 2007–Present  
August 2005–January 2008*

**References**

*Raul Garza  
Owner, Creative Director  
TKO Advertising  
raul@tkoadvertising.com*

*Jeff Miraglia  
Owner, Creative Director  
Mindset, LLC  
jeff@mindsetinc.net*



“The Texas Lottery account brings together two things I’m passionate about: my home state of Texas and my career. Having the chance to work on the Lottery would add some spice to my professional career.”



## **Lauren Rath** Junior Media Planner

*Lauren took the straight path from college into the workforce, becoming a Junior Media Planner with TM Advertising in August 2010.*

### **Experience**

*Lauren has spent the start of her career in advertising working on the Texas Tourism and SuperMedia accounts. While she works mostly on planning traditional mediums, Lauren has spent time collaborating with the digital teams in order to research, plan and implement numerous programs that integrate both tactics to achieve dual success.*

*Lauren’s experience on the government account of Texas Tourism allowed her to gain strong experience by monitoring the performance of the campaign (both domestically and on an international scale), providing recommendations based on the client’s objectives, delivering monthly reports, ensuring codes and extensions ran correctly and creating planning work sheets, flowcharts, CATBs and reports.*

### **Work History**

*TM Advertising*

*August 2010–Present*

### **Education**

*Lauren graduated from Texas Christian University and holds a bachelor of science degree in Advertising and Public Relations.*

### **References**

*Marilyn Scoggins  
Marketing Project Coordinator  
Balfour  
marilyn.scoggins@balfour.com*

*Barry Goldware  
Chairman & Founder  
Retail Concepts, Inc.  
bgoldware@retailconcepts.cc*



“A client like the Texas Lottery allows for room to be creative and unique in the planning process. In addition, the chance to learn about the target market – my fellow Texans – is quite interesting.”



## **Kari McLead** Junior Media Planner (digital specialist)

*Kari began her advertising career with TM Advertising immediately after graduating from Texas A&M University – and she has never looked back!*

### **Experience**

*Kari joined the TM family in October 2010. In that time she has gained key digital experience working with various clients – American Airlines, American Eagle, SuperMedia, Texas Tourism and Statoil, among others – by providing digital media recommendations, such as cross-platform tactics. One aspect of the job Kari enjoys is having the opportunity to optimize the campaigns to best meet the individual client's needs and objectives.*

*Her time on the Texas Tourism account provided Kari with important knowledge and understanding when it comes to communicating with the diverse populations across Texas. She hopes to use this experience for the client's benefit in future endeavors.*

### **Work History**

*TM Advertising*

*October 2010–Present*

*Texas A&M University*

*February 2008–July 2010*

### **Education**

*Kari holds a bachelor's degree in Business Administration from Texas A&M University.*

### **References**

*Tracy Foster*

*Senior Financial Analyst*

*Texas A&M University*

*tfoster@tamu.edu*

*Lisa Troy*

*Professor of Marketing*

*Texas A&M University*

*ltroy@mays.tamu.edu*



“After working on the Texas Lottery account for over nine years, I’m looking forward to reconnecting with the account and applying fresh insights with the team at TM Advertising.”



## Shirley Ward Media Director (buying)

*Shirley is a brilliant strategist who is as comfortable rolling up her sleeves to get things done as she is developing long-term strategic vision.*

### Experience

*Shirley's career in advertising spans more than 40 years and has led her to work in sales and marketing, media buying and planning, public relations, media research and media management. She founded The Ward Group in 1985, where she has worked with clients such as Foley's, Associated Milk Producers, Whataburger, CiCi's Pizza, Rent-A-Center, Golden Corral, Popeyes Chicken & Biscuits, Little Caesar's Pizza, and numerous others. Her expertise crosses over all disciplines of media buying and planning as she brings a wealth of hands-on knowledge to each account. Shirley's reputation for excellence has won her local and national recognition, including the AWRT Silver Award of Excellence for lifetime achievement and the national AWRT STAR award.*

*Shirley's experience in media, including general and ethnic market initiatives, makes her highly capable of pushing the envelope and developing and directing innovative media plans and buys. She has been responsible for driving media results through annual media strategy, new product launches, advertising, media buying, promotions, sponsorships, events, trade shows and viral marketing.*

### Work History

<i>The Ward Group</i>	<i>1985–present</i>
<i>The Arbitron Company</i>	<i>1983–1985</i>
<i>J. Walter Thompson</i>	<i>1982–1983</i>
<i>Bozell &amp; Jacobs</i>	<i>1980–1981</i>
<i>Lake-Spiro-Shurman</i>	<i>1977–1979</i>
<i>William B. Tanner</i>	<i>1974–1977</i>
<i>Admarc Advertising</i>	<i>1972–1974</i>

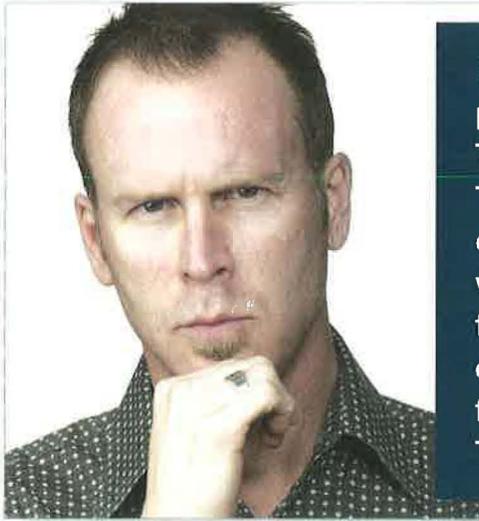
### Education

*Shirley attended the University of Memphis' business program.*

### References

*Beverly Ingraham  
Marketing Manager (former)  
Foley's Department Stores  
bev2403@aol.com*

*Eric Sorenson  
DFW Co-Op President  
Little Caesars Pizza  
eric@lcdfw.com*



“I used to be a weekly Lottery player prior to the start of my work on the Texas Lottery over a decade ago. The frequency of my wins and the enjoyment I got from playing the Lottery were great, but they never compared to the satisfaction I felt from a job well done on behalf of the client. I look forward to focusing my skills on the Texas Lottery account once again.”



## **Rob Enright** Associate Media Director (buying)

*Rob has experience in almost every aspect of media during his 18-plus years at The Ward Group. His approach is that of a problem solver: how do we use the power of media to achieve a goal or address an issue?*

### **Experience**

*Rob directs and oversees the daily activities of all client accounts and is integral in overseeing media planning and buying, as well as providing sales analysis and industry trends that impact clients. His career in media has evolved and changed much like the landscape of the industry itself, with skills that have been utilized in buying, planning, account management and new business development. Rob's list of clients is from a wide range, including: Foley's, Little Caesars Pizza, Rent-A-Center, Schlotzsky's, Barbeques Galore, The Foundry Big & Tall Supply Co. and, of course, Texas Lottery.*

*In addition to a diverse set of client categories, Rob's experience has included reaching diverse ethnic groups with diverse media executions – Anglo, Hispanic, African-American and Asian – through radio, TV, outdoor, mobile, social, online, newspaper and direct mail.*

### **Work History**

*The Ward Group*

*August 1993–Present*

### **Education**

*Rob graduated from the University of North Texas in 1993 with a bachelor's degree in Journalism with an Advertising major and a double minor in Marketing and Sociology.*

### **References**

*Cynthia Kirk  
Franchise Marketing Manager  
Little Caesar Enterprises, Inc.  
cynthia.kirk@lcecorp.com*

*Eric Atchley  
Business Development Manager  
KTVT – CBS 11 & KTXA 21  
elatchley@ktvt.com*



“If I work on the Lottery I’m going to ...”

## **BROMLEY** Letty Delgado Media Buyer (multicultural specialist)

*Letty serves as the Media Buyer for Bromley.*

### **Experience**

*At Bromley, Letty is responsible for buying local media across various markets for television and radio. Her efforts are always geared at keeping the media team at Bromley ahead of the curve by informing them of changes, nuances and emerging trends in the media landscape. She also maintains solid and long-standing relationships with media partners, allowing for creative communication solutions that drive results.*

*Some of the many clients that Letty has worked with include Procter & Gamble, Burger King, MillerCoors, General Mills and Western Union.*

### **Work History**

*Bromley*

*October 2001–Present*

### **Education**

*Letty graduated from Highlands High School in San Antonio, Texas, in 1995.*

### **References**

*Joe Silva*

*Account Executive*

*Univision Radio*

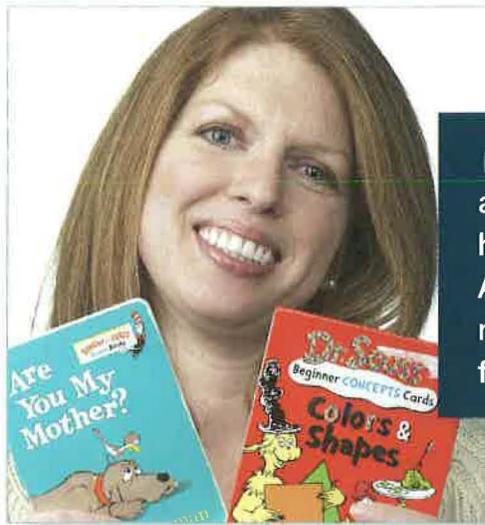
*joe.silva@univisionradiosales.com*

*Larry Brown*

*Account Director*

*Clear Channel*

*larry.brown@clearchannel.com*



“After having triplets, I have a new appreciation for the importance of helping contribute to Texas education. Also, working on the Lottery will give me the opportunity to alter my reading from Dr. Seuss to *Media Week* again.”



## Amy Ruggles Media Buyer

*Amy's favorite part of her job is brainstorming on out-of-the-box strategies that efficiently reach the target audience and result in ROI. A detail-oriented and performance-driven leader, Amy looks forward to focusing her skills, once again, on the Texas Lottery account.*

### Experience

*Amy's experience covers a wide gamut of media disciplines. Any given week you will find her developing, evaluating and implementing multiplatform/multicultural ad campaigns for TV, radio, print, online and out-of-home media; conducting annual contract negotiations; presenting media strategies, plans, buys and post-buy analysis to clients; stewarding numerous live campaigns while negotiating future placements, auditing invoices and reconciling budgets; and preparing post-buy and competitive spending reports.*

*Her vast experience includes work on accounts such as Papa John's Pizza, Black-eyed Pea, Glazer family of beverages, Hollywood Casino – Tunica, ALLTEL, Grolsch Beer, Seagrams, Pizza Hut, EDS, Army National Guard, Billy Graham, Fossil, Tiffany and the City of Nacogdoches.*

### Work History

<i>The Ward Group</i>	<i>2006–Present</i>
<i>Levenson and Hill</i>	<i>2005–2006</i>
<i>Hawkeye</i>	<i>2001–2005</i>
<i>Bozell Kamstra</i>	<i>1999–2001</i>
<i>Nacogdoches Chamber</i>	<i>1998–1999</i>

### Education

*Amy graduated from Stephen F. Austin State University in 1999 with a bachelor of science degree.*

### References

<i>Jennifer Pereira</i>	<i>Holly Moreland</i>
<i>Media Director</i>	<i>Account Supervisor</i>
<i>The Container Store</i>	<i>Wunderman</i>
<i>214.493.8995</i>	<i>312.596.2669</i>



“The Lottery is an account that gives back. There is great incentive to work on an account that gives back to Texas education, especially being a mom with two kids in public schools.”



## Robin Cox Media Buyer

*Robin is a highly dedicated advertising professional with 15 years of experience in media planning and buying. Her favorite part of the job is when she can negotiate a good deal!*

### Experience

*Robin's experience covers a wide variety of media outlets. In addition to her vast broadcast experience, she has planned and bought outdoor and OOH including bulletins, LED, digital, 30-sheet posters, wallsapes and mobile billboards. A typical week finds her negotiating an ad campaign for TV, radio, print, online and other out-of-home media, as well as stewarding numerous live campaigns while negotiating future placements, auditing invoices and preparing added value/promotional recaps along with post-buy analysis for her clients' campaigns.*

*Before joining The Ward Group, Robin worked at Whitehardt, Pro Motion Creative Media and Ackerman McQueen. Her experience includes work on accounts such as Hibernia National Bank, Bassett Furniture Direct, Pizza Hut, Six Flags Over Texas, NRA, St. Francis Hospital, Bank of Oklahoma, Toyota of Irving and AT&T Midwest.*

### Work History

<i>The Ward Group</i>	<i>2006–Present</i>
<i>Whitehardt, Inc.</i>	<i>2003–2006</i>
<i>The Ward Group</i>	<i>2000–2003</i>
<i>Pro Motion Creative Media</i>	<i>1999–2000</i>
<i>Ackerman McQueen</i>	<i>1997–1999</i>

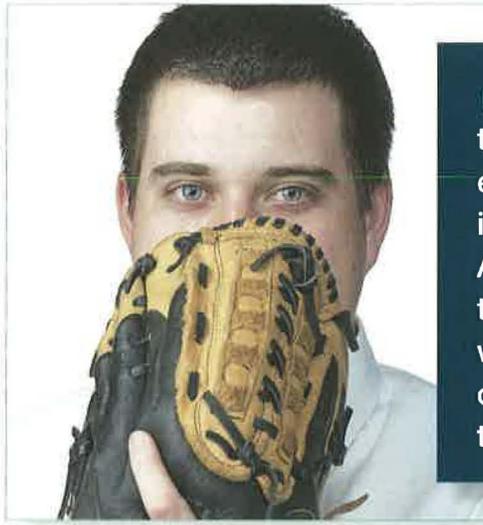
### Education

*Robin graduated from The University of Arkansas, Monticello, with a bachelor's degree with a concentration in Marketing.*

### References

*Tracy Hall  
Account Executive  
WFAA  
trhall@wfaa.com*

*Megan Musar  
Account Executive  
Billups Worldwide  
mmusar@billupsworldwide.com*



“I’m looking forward to revisiting the account to draw from my past experiences as well as bring fresh ideas to print and out-of-home efforts. Also, after extensive experience with the account, I’m eager to continue the well-established relationships I have created with the vendors in servicing this account.”



## Austin Harmon Media Buyer

*Austin is a highly motivated individual who excels in demanding situations where he can multitask and prioritize his work. He has excellent communication skills and takes pleasure working with many different personality types.*

### Experience

*During his tenure with The Ward Group, Austin has implemented print, out of home, sports sponsorships and C-store campaigns in both general and ethnic markets. As a member of the Media department, Austin is looking forward to the responsibility of buying the Texas Lottery print, researching and evaluating print options, managing the day-to-day print process, creating and managing media promotions, and assisting the media team with other research and buying projects.*

### Work History

The Ward Group	February 2011–Present
Zale Corporation	2010–2011
Aggieland Outfitters	2007–2010

### Education

*Austin graduated from Texas A&M University with a BBA degree in Marketing and a minor in Communications.*

### References

<i>Debra Kennedy</i>	<i>Jenna Collins</i>
<i>Marketing Director</i>	<i>Account Executive</i>
<i>Southwest Airlines</i>	<i>Titan Worldwide</i>
<i>469.767.3680</i>	<i>214.575.3800</i>



“With three girls in Texas public schools, I am proud of the Lottery’s contributions to Texas education. I want to be part of that.”



## Chelsea Enright Media Buyer

*Chelsea is a dedicated, time-managed and task-oriented worker – no matter the scope of the media project.*

### Experience

*Chelsea is an organized multitasker who manages various aspects of radio and television buying. As a member of The Ward Group, Chelsea is responsible for buying small-market radio and television, researching and evaluating media options, and managing the day-to-day buying process, as well as assisting the media team in other research and buying projects. Her experience has also covered administrative and financial tasks such as generating POs and invoices, financial reconciliation and production work.*

*Before joining The Ward Group, Chelsea worked at Productions Plus as a national product spokesperson for Toyota Motor Company and Ashleigh George Designer Jewelry in sales and marketing.*

### Work History

<i>The Ward Group</i>	<i>September 2009–Present</i>
<i>Ashleigh George Designer Jewelry</i>	<i>2007–Present</i>
<i>Productions Plus</i>	<i>2005–2009</i>

### Education

*Chelsea attended the University of Oklahoma, the University of Memphis and the University of North Texas, where she pursued degrees in marketing, fashion merchandising and business.*

### References

<i>Lisa Cole</i>	<i>Pamela Gentry</i>
<i>Account Manager</i>	<i>Account Executive</i>
<i>Productions Plus</i>	<i>Clear Channel Outdoor</i>
<i>800.437.9815</i>	<i>pamelagentry@clearchannel.com</i>



“My connection to the Texas Lottery began when I bought my first ticket with my father. The excitement of purchasing a scratch-off ticket containing a winning prize has never left me. It has since been passed on from sharing that moment with my dad to now enjoying those moments with my husband.”

**BROMLEY** **Sonia Gonzalez** Junior Media Buyer  
(multicultural specialist)

*Sonia spends most of her day assisting the buying department with media reports, invoices and up-to-date information on the latest trends in media. She also coordinates all events for the media department and ensures all things run smoothly.*

**Experience**

*With more than six years of advertising and project management experience, Sonia is a highly talented and motivated professional. She has a go-getter attitude and is always willing to do whatever it takes to get the job done. She is self-motivated and able to adapt easily to new ideas and concepts. Sonia possesses excellent time management and organizational skills. She is able to multitask and works well under pressure.*

*Prior to joining the team at Bromley, she worked as a project manager for Sharkmatic Advertising Agency, where she handled advertising for clients and assisted in developing Web sites and social media sites to enhance clients digital campaigns. Her responsibilities included assisting clients with creative process to develop branding campaigns, logos, and brochures. Among the accounts she worked on were NCLR's ALMA awards and other local clients.*

**Work History**

<i>Bromley</i>	<i>October 2008–Present</i>
<i>Sharkmatic Ad Agency</i>	<i>August 2007–October 2008</i>
<i>Creative Civilization</i>	<i>June 2006–August 2007</i>

**Education**

*Sonia graduated from the University of the Incarnate Word with a bachelor's degree in Business Administration.*

**References:**

<i>Joshua Jimenez</i>	<i>Joe Silva</i>
<i>Account Executive</i>	<i>Senior Account Executive</i>
<i>Univision Communications</i>	<i>Univision Radio Sales</i>
<i>jjimenez@UNIVISION.NET</i>	<i>A Division of Katz Communications, Inc.</i>
	<i>joe.silva@katz-media.com</i>



“The Lottery is a huge deal in our Lone Star State. The opportunity to work with the people inside the Texas Lottery organization would be an honor and a great experience.”



## **Kristi Jeffries** Junior Media Buyer

*When it comes to the advertising industry, Kristi enjoys many things, one of which is staying “hands-on” with any and all accounts she works on.*

### **Experience**

*Kristi first joined TM Advertising in 1990 as a Coordinator in the Media Department. With more than 20 years of experience and a client list that includes American Airlines, Texas Tourism and many banking/financial institutions, retail and restaurants, Kristi is a seasoned advertising professional.*

*The experience Kristi brings to TM includes digital placement, monthly reconciliations and payment processing with more than 150 sites. In addition, she works closely with each department at TM to ensure that all buy placements, client billing and vendor payments are always processed accurately and in a timely fashion.*

### **Work History**

*TM Advertising*

*June 1990–Present*

### **Education**

*Kristi attended Richland College and holds a degree in Accounting.*

### **References**

*Frances Karkosak*

*Senior Partner/Director,*

*Lead of Global Strategy*

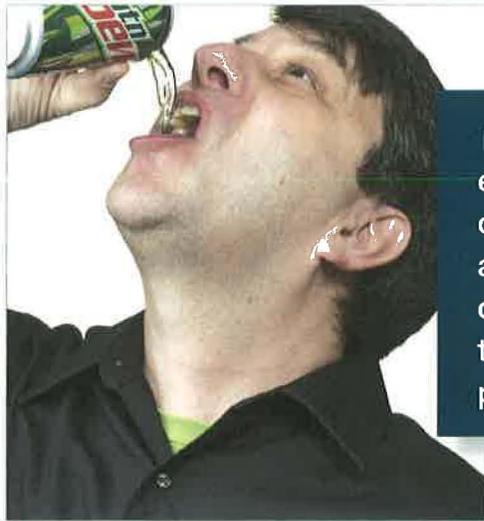
*Franny.Karkosak@mindshareworld.com*

*Sheryl Standifer*

*Senior Vice President – Media Services*

*Asher Media*

*sstandifer@ashermedia.com*



“Well, I never seem to win. In everything from lotteries to raffles to office pools, everyone else seems to always be winning. So I feel it is my destiny to apply my skills and talents to getting all the other potential lottery players and winners to play even more.”



## **Bernard Park** Creative Director

*Bernard approaches his work at TM Advertising with a unique philosophy: “Think like MacGyver, execute like Tony Soprano.” He ensures that his work is always thought out, detailed and crafted perfectly. He’s always ready for the unexpected and prepared to create intelligent solutions that execute the strategy quickly and flawlessly.*

### **Experience**

*Bernard comes to work each day with the purpose of disproving these four words: It Can't Be Done. His work as a Creative Director is all about getting himself, and his fellow creatives, to dispel this myth and produce impeccable work for clients.*

*He has worked on numerous national-scale brands such as Miller Brewing Company, Sprint, DIRECTV, Whataburger, Verizon, American Airlines, Discover Network and Nationwide Insurance, among others.*

### **Work History**

<i>TM Advertising</i>	<i>2006–Present</i>
<i>Rapp Collins</i>	<i>2004–2006</i>
<i>Square One</i>	<i>1996–2004</i>
<i>Y&amp;R Chicago</i>	<i>1994–1996</i>
<i>Curro, Rankin &amp; Williams</i>	<i>1993–1994</i>

### **Education**

*Bernard holds a bachelor's degree from the Milwaukee Institute of Art & Design.*

### **References**

*Tom Hansen  
President/CEO  
Heelys, Inc.  
thansen@heelys.com*

*Tim Murphy  
Freelance Group Creative Director  
murph@themurphshow.com*



“I look forward to the opportunity of working on a product that lets me deliver so much enjoyment to so many people across the great state of Texas.”



## **Chris Bettin** Associate Creative Director

*Chris, an Associate Creative Director at TM Advertising, enjoys his job to the fullest. He finds enjoyment in training dogs, building furniture and smoking meats. Suffice it to say, he's an all-around creative guy.*

### **Experience**

*Chris has a track record of creating effective and award-winning advertising in both traditional and digital mediums. He has worked on a wide range of product categories, including automotive, packaged goods, retail, entertainment, dining and many others.*

*Notable clients that Chris has had experience with include BMW, Hyundai, McDonald's, Travel Channel, Captain D's Seafood Kitchen and American Airlines.*

### **Work History**

<i>TM Advertising</i>	<i>2010–Present</i>
<i>Moroch</i>	<i>2003–2010</i>
<i>The Richards Group</i>	<i>2002–2003</i>
<i>Publicis Dallas</i>	<i>1998–2002</i>

### **Education**

*Chris holds a bachelor's degree in Advertising from the Iowa State University.*

### **References**

<i>Jim Sykora</i>	<i>J. Frederick</i>
<i>Executive Creative Director</i>	<i>Partner/Creative Director</i>
<i>Moroch</i>	<i>RD&amp;F Advertising</i>
<i>jsykora@moroch.com</i>	<i>j@rdfadvertising.com</i>



“It’s simple. The Texas Lottery gives us all that moment of escape from the daily grind, that flash of excitement that maybe, just maybe, I’ll get to permanently escape the daily grind. I love the idea that everyone, no matter who they are, has a shot. All you have to do is play.”



## **Brian Wood** Associate Creative Director

*Who is Brian? Well – he’s an illustrating, Tex-Mex eating, piano-playing, travel-loving, two-Chihuahua-owning, all-sports-following, born-and-raised Texan. That’s pretty much it.*

### **Experience**

*Brian has worked at small agencies, midsized agencies and the big global agencies. It’s safe to say his experience with all sorts of agency structures has contributed to the advertising professional that he is. He can approach any problem with innovative, creative solutions.*

*The many clients Brian has worked with include: American Airlines, Dr Pepper, Heelys Worldwide, Hyatt Hotels, Johnson & Johnson, Ritz-Carlton Grand Cayman, Texas Land & Cattle restaurants, Texas Tourism and Whataburger.*

### **Work History**

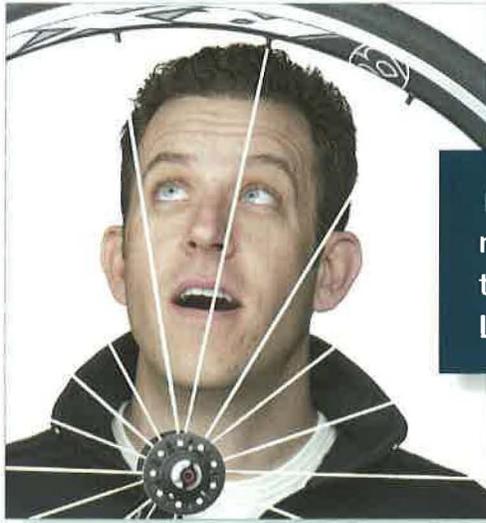
<i>TM Advertising</i>	<i>June 2010–Present</i>
<i>DIB Creative</i>	<i>July 2008–August 2009</i>
<i>Krause Advertising</i>	<i>November 2006–July 2008</i>
<i>Flowers &amp; Partners</i>	<i>June 2003–November 2006</i>
<i>Square One</i>	<i>July 2002–April 2003</i>
<i>J. Walter Thompson</i>	<i>March 2000–June 2002</i>
<i>Saunders-Ream/PD&amp;G</i>	<i>April 1997–March 2000</i>

### **Education**

*Brian is a graduate of the Art Institute of Dallas.*

### **References**

<i>Artie Megibben</i>	<i>Peter Norris</i>
<i>Executive Creative Director</i>	<i>Creative Director</i>
<i>Agency Creative</i>	<i>Freelance</i>
<i>artie@agencycreative.com</i>	<i>pnorris334@gmail.com</i>



“I’m always looking for something new. I like new challenges that keep those creative juices flowing. The Texas Lottery will be that kind of challenge.”



## **Matt Christensen** Associate Creative Director

*One of Matt's best experiences with advertising was when he drove around Texas Motor Speedway in a Kia minivan, going 140 miles per hour – with Tony Stewart driving!*

### **Experience**

*Matt truly loves his work in advertising. It has allowed him to work with numerous clients in all manner of categories. From designing the new safety video for American Airlines to writing the RadioShack commercials featuring Howie Long and Teri Hatcher, his work is extensive and diverse.*

*Some of the many clients that Matt has worked with include: The Home Depot, RadioShack, American Airlines, Texas Tourism, DIRECTV, Red Lobster, the Dallas Cowboys and Frito-Lay.*

### **Work History**

<i>TM Advertising</i>	<i>2010–Present</i>
<i>Freelance</i>	<i>2006–2010</i>
<i>The Richards Group</i>	<i>2004–2006</i>
<i>RAPP</i>	<i>2000–2004</i>
<i>Circle R Group</i>	<i>1999–2000</i>
<i>M/C/C</i>	<i>1997–1999</i>

### **Education**

*Matt earned his bachelor's degree from Austin College and then went on to earn his master's degree from Baylor University.*

### **References**

<i>Max Elo</i>	<i>Ronda White</i>
<i>Creative Director</i>	<i>Promotions Director</i>
<i>Nectar Girl</i>	<i>WFAA/Dallas</i>
<i>maxelo@yahoo.com</i>	<i>rwhite@wfaa.com</i>



“I see the Lottery as a fun, exciting and exhilarating product unlike any other. But really, the real reason I want to work on the Lottery is because a long time ago, during my first romance with advertising, one of my first projects was for the New Mexico Lottery.”

**BROMLEY** **Evita Puente** Associate Creative Director  
(multicultural specialist)

*Evita is a true lover of exploration, ideation and creativity. She adamantly feels that it's her role to provide clients with innovative ideas that inspire, surprise and excite.*

**Experience**

*Evita has worked as a Creative for more than 14 years – and each year she becomes even more excited about working in the advertising industry. She has worked in traditional media and broadcast, as well as guerrilla, digital and social, for numerous brands within big corporate families such as P&G, Unilever and, most recently, General Mills.*

*Some of her clients include Payless ShoeSource, Western Union and Susan G. Komen for the Cure – for which she earned Bromley Communications an ADDY for her online efforts.*

**Work History**

<i>Bromley Communications</i>	<i>June 1999–Present</i>
<i>Creative Consultant</i>	<i>August 2005–August 2007</i>
<i>Sunrise Teleproductions</i>	<i>1997–1999</i>
<i>Televisa San Angel</i>	<i>1996–1997</i>
<i>La Compañía Nacional de Teatro de Venezuela</i>	<i>1995–1996</i>

**Education**

*Evita earned her bachelor's and master's degrees from the University of New Mexico.*

**References**

<i>Cecilia Redmond</i>	<i>Adriana Ramos</i>
<i>Director of Advertising Services</i>	<i>Creative Director</i>
<i>Collective Brands, Inc. (Payless)</i>	<i>FPO Marketing</i>
<i>Cecilia.Redmond@payless.com</i>	<i>adriana@fpomarketing.com</i>



“I see the Texas Lottery as an exciting product with a unique benefit. As a past consumer, I look forward to taking part in a product that I enjoy.”



## **Ryan Beals** Art Director

*Ryan greatly enjoys his work as an Art Director. Not only does it afford him the chance to engage with creativity on a daily basis, it also has allowed him to work on some major brands over the years.*

### **Experience**

*In the past seven years, Ryan has had the opportunity to create award-winning creative work for some of the biggest brands in the country. His work has appeared in every major medium – television, digital and print – for clients in categories such as travel, fast food, packaged goods and casino entertainment. Some of the many brands he has worked on include McDonald's, Travel Channel, American Airlines, Dallas Area Rapid Transit (DART), Texas Tourism and Frito-Lay.*

### **Work History**

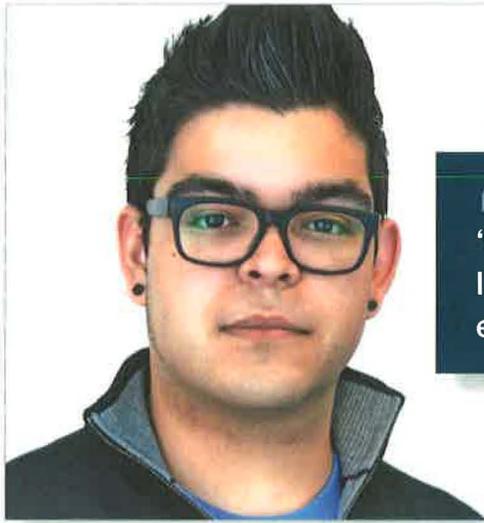
<i>TM Advertising</i>	<i>2011–Present</i>
<i>Moroch</i>	<i>2008–2011</i>
<i>TracyLocke</i>	<i>2005–2008</i>

### **Education**

*Ryan holds a bachelor of fine arts degree in Communication Design from Southern Illinois University.*

### **References**

<i>Kevin Sutton</i>	<i>Chris Shafer</i>
<i>Group Creative Director</i>	<i>Creative Director</i>
<i>Moroch</i>	<i>Moroch</i>
<i>ksutton@moroch.com</i>	<i>cshafer@moroch.com</i>



“I can’t resist the idea of adding ‘scratching’ elements to my work. I think that opens it up to fun and exciting new creative possibilities.”



## Federico Pacheco, Jr. Art Director

*Federico always tried to overachieve the underexpected. He believes strongly in what he does at TM Advertising, and thinks that both life and design should be exciting and beautiful.*

### Experience

*Federico – commonly known as “Fed” around the agency – routinely produces stellar work and brings fresh ideas to the accounts he work on. These clients include American Airlines, Bausch + Lomb, Texas Tourism and the Best Friends Animal Society – and for Best Friends Animal Society, Fed played an instrumental role in their “Fix at Four” project, which encouraged people to spay and neuter their pets by four months.*

*In addition to his impeccable work, Fed is also engaged full-time in pursuing a degree from the nationally recognized and very demanding Communication Design program at the University of North Texas.*

### Work History

*TM Advertising*

*June 2010–Present*

### Education

*Fed is currently pursuing a degree from the prestigious University of North Texas Communication Design program.*

### References

*Eric Ligon  
Associate Dean – School of  
Visual Arts and Design  
University of North Texas  
eric.ligon@unt.edu*

*Javier Centeno  
Marketing Communication Consultant  
Verizon  
javier.centeno@verizon.com*



“The Texas Lottery is fun, fertile ground for creative. It’s the source of a lot of smart, memorable and effective advertising. I look forward to joining that pool of work.”



## Courtney Pulver Copywriter

*Courtney views her work at TM Advertising as being more of a “wordsmith” for clients and their brands. She enjoys crafting new ideas for her clients, and she’s very good at it.*

### Experience

*Beginning in March 2011, Courtney has spent her time at TM working on the Texas Tourism account. Her “wordsmith” mentality serves her greatly when it comes to thinking about how to express that Beautiful Truth that exists in every client.*

*Prior to TM, Courtney spent time at Moroch, working on national, regional and local outdoor, in-store, radio, television, interactive and digital efforts for McDonald’s. This experience taught her how to do broad-reach advertising as well as create tailored ads for specific states, regions and even cities. Courtney also has some prior lottery experience, working on the Colorado State Lottery during her time as an intern at Cactus Marketing Communications in Denver.*

### Work History

TM Advertising  
Moroch

March 2011–Present  
September 2009–March 2011

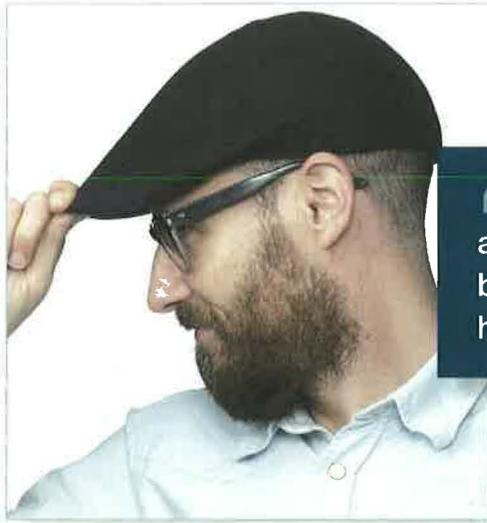
### Education

*Courtney holds a bachelor of science degree in Advertising from the University of Colorado at Boulder.*

### References

Kevin Sutton  
Creative Group Director  
Moroch  
ksutton@moroch.com

Chris Bettin  
Associate Creative Director  
TM Advertising  
chris.bettin@tm.com



“I think the Texas Lottery develops a strong emotional link with people because it is all about dreams, about hope and about fun.”

**BROMLEY** **Alex Garcia** Copywriter (multicultural specialist)

*Alex describes himself as a 4x4: although a copywriter, his many specializations have given him a wide vision when talking about integrated media thinking for client strategy.*

**Experience**

*Born and raised in Spain, where Alex developed most of his talents in the early part of his career, he eventually moved to Mexico. This experience provided him with sound knowledge of the Hispanic market, which makes him a pivotal asset and member of the Bromley Communications team.*

*His career has led Alex to work not only as a copywriter and art director, but also in areas such as direct marketing and trade marketing. A partial list of clients would include: Toyota, Pepsico, Gillette, Microsoft, Susan G. Komen for the Cure and Western Union.*

**Work History**

<i>Bromley Communications</i>	<i>2011–Present</i>
<i>La Doblevida Mexico</i>	<i>2010–2011</i>
<i>Shackleton Direct</i>	<i>2006–2009</i>
<i>Wunderman</i>	<i>2005–2006</i>
<i>Pool CP</i>	<i>2003–2005</i>

**Education**

*Alex holds a bachelor's degree in Advertising from Madrid Complutense University.*

**References**

*Alfonso Marian  
Chief Creative Officer  
OgilvyOne Worldwide  
alfonso.marian@ogilvy.com*



“I am eager to implement my knowledge and experience – especially with the Hispanic market – into the Texas Lottery overall strategy.”

**BROMLEY** **Fernanda Revilla** Copywriter (multicultural specialist)

*Behind Fernanda's passion for advertising, there is a strong fascination with the creative process that plays a role behind the scenes of everything.*

**Experience**

*Fernanda brings strong digital experience in Web site development, both in copy and art direction, to Bromley Communications, where she works as a Copywriter. In addition, she has account experience, managing several government accounts and working to create radio, television and print materials for them over the years, as well as working on consumer packaged goods and nonprofit organizations.*

**Work History**

*Bromley Communications  
Interlex Communications*

*July 2011–Present  
September 2010–July 2011*

**Education**

*Fernanda holds a bachelor's degree in Business Administration from The University of Texas at Brownsville.*

**References**

*Rebecca Urbano  
Account Executive Director  
Interlex Communications  
rebecca@interlexusa.com*

*Mayra Urteaga  
Copy Editor  
mayra@interlexusa.com*



“I’m a true Texan in heart and soul. Therefore, the opportunity to work on a Texas account such as the Texas Lottery is, to me, an ideal fit.”



## Liz Tramer Copy Editor

*One of the things Liz enjoys most is a good sense of humor. She believes that when someone views the world with a large dose of humor, everything is revealed. Humor is synonymous with beauty and truth.*

### Experience

*Liz has been both a writer and editor for more than a decade and a part of the TM Advertising family for more than five years. During her time at TM, she has constantly ensured that all materials leaving the agency have a consistent feel and maintain both brand and agency standards. She wants her work to be honest, to be true to the brand and the agency in all aspects.*

*She has also edited content for a wide range of industries in multiple platforms, ranging from health care to education to insurance to airlines. Outside her work as an editor, Liz has spent her time volunteering with start-up magazines in Dallas and is a content partner with Pegasus News, where she reviews movies, restaurants and art.*

### Work History

TM Advertising	April 2006–Present
Pegasus News	October 2009–Present
SkyTram Express	May 2008–September 2010
Robert Half Legal	January 2005–January 2006
Red Magazine	January 2005–July 2005
Promenade Towers	September 2003–October 2004
National Apartment Association	January 2001–January 2003
Public Risk Management Association	September 1999–December 2000
Finnegan, Henderson, Farabow, Garrett and Dunner	1996–1998

### Education

*Liz earned her bachelor’s degree from Ohio Wesleyan University in 1996.*

### References

Sabra Girard	John Meyer
Owner	Senior Copywriter
SGPR	Townsquare Media
sabragirard@papercanvas.com	johnme23@swbell.net



“It sounds fun! And if you look at my philosophy, I’m all about fun!”



## April Steinbach Digital Creative Director

*April believes that if you’re not having fun, it’s not worth doing. This is the reason April enjoys (and is so good at) her job – because the fun it brings her makes it totally worth doing.*

### Experience

*April is a well-rounded creative, having worked on everything from television spots to online ads. Currently, April has spent most of her time working on the creation of innovative solutions for clients such as Bausch + Lomb – doing what she calls “finding eyeballs.”*

*Her experience includes working on numerous clients, such as American Airlines, SuperMedia, Match.com, Nationwide Insurance, Texas Tourism, Bank of America, Pier 1 Imports and Sanderson Farms Chicken.*

### Work History

<i>TM Advertising</i>	<i>July 2006–Present</i>
<i>Launch Agency</i>	<i>February 2004–July 2006</i>
<i>Pier 1 Imports</i>	<i>September 2002–October 2004</i>
<i>Temerlin McClain</i>	<i>2000–2002</i>
<i>Hadeler Sullivan &amp; Law</i>	<i>1999–2000</i>
<i>Fogarty Klein Monroe</i>	<i>1995–1999</i>

### Education

*April holds a bachelor of science degree in Advertising from The University of Texas at Austin.*

### References

<i>Keith Harrison</i>	<i>Dave Weaver</i>
<i>Senior Analyst, Marketing Communications</i>	<i>CEO</i>
<i>American Airlines</i>	<i>Cheil USA</i>
<i>keith.harrison@aa.com</i>	<i>dave.weaver@oneagency.com</i>



“I have fond memories of watching my family gather around to play scratch-offs during the holidays. Everyone watched each other with anticipation to see who won and what their prize was.”



## Tony Marsh Digital Producer

*Tony is a Digital Producer, but really, he describes his role at TM Advertising as “making the complicated simple.” It’s something that he does daily, and he does it extraordinarily well.*

### Experience

*Tony is truly a well-rounded advertising professional. He has worked on promotional outdoor, in-store, radio, television and print advertising for McDonald’s. In addition, Tony brings extensive digital expertise. For numerous clients – including Texas Tourism, Superpages.com and Habitat for Humanity, among others – he has been heavily involved with Web design, development and maintenance; interactive ads; and microsites.*

*Before coming to TM, Tony spent time at the Moroch agency, working on the McDonald’s account, among others. His responsibilities included effectively reaching and communicating with the diverse populations across Texas, marketing to both the general consumer market and the Hispanic consumer market in cities such as Dallas, Houston, San Antonio and Austin.*

### Work History

TM Advertising

April 2011–Present

Moroch

June 2009–April 2011

### Education

*Tony graduated from Northwestern University in 2008 with a bachelor’s degree in Psychology.*

### References

Suzanne Boemia

Tad Perryman

Director of Integrated Production

Account Director

Moroch

Moroch

sboemia@moroch.com

tperryman@moroch.com



“I’m a digital guy. So I would love to help be a part of growing the Texas Lottery even further in the online world!”



## **Nick Boyd** Digital Specialist

*Life moves pretty fast, and in Nick's opinion, if you don't stop once in a while and look around, you might miss it. Advertising moves pretty fast, too – but if you stop to look around you will miss it!*

### **Experience**

*Nick's role at TM Advertising is all about digital. He works at creating Web sites for clients, and he makes these Web sites available for screen, mobile devices and tablets. His goal is to always provide visitors with a memorable brand experience.*

*Some of the many clients that Nick has worked on include American Airlines, Texas Tourism, Discover Network, Daikin AC, Dallas Film Society, Nationwide Insurance and the City of Dallas.*

### **Work History**

*TM Advertising*

*January 2008-Present*

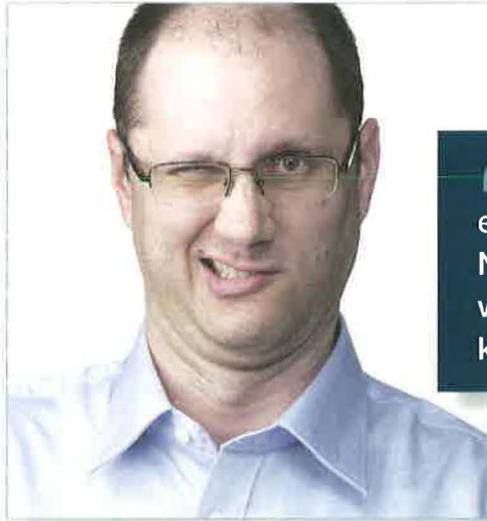
### **Education**

*Nick holds a bachelor's degree from The University of Texas at Dallas.*

### **References**

*Cheryl Rosenborough  
Blyss Agency  
clr@blyssagency.com*

*Gerardo Gean  
Samsung Telecommunications America  
gean@hellogean.com*



“The Texas Lottery is a fun little daily escape that brims with excitement. Never mind that you might not end up winning, it’s the optimist in me that keeps thinking ‘There’s a chance!’”



## **Kirk Pearson** Programming Specialist

*Kirk did not let earning a bachelor’s degree in Music keep him from his true passion: computer programming. At TM Advertising he is able to immerse himself in the work that he truly loves on a daily basis.*

### **Experience**

*A member of the TM family since May of 2000, Kirk has been active in all areas digital. He has spent time in the IT and interactive departments of TM, working as a Web master, developer and now, in his current position, a Programming Specialist. He credits his experiences in both these digital areas for allowing him to expand his interests and grow his skills, while providing the opportunity for him to also learn new languages.*

*Kirk’s time on the Texas Tourism account – which included working on PictureTrax, their asset management system, as well as supporting an internally developed CMS system that powered their foreign language sites – has led Kirk to numerous conversations with travel bureaus across the state of Texas. Through these talks, Kirk’s appreciation for the diverse wonders of Texas has only deepened.*

### **Work History**

*TM Advertising*

*May 2000–Present*

### **Education**

*Kirk graduated in 1999 from the University of Nebraska – Lincoln with a bachelor’s degree in Music.*

### **References**

*Todd M. Tolbert*

*Senior Vice President*

*Strategic Content Solutions*

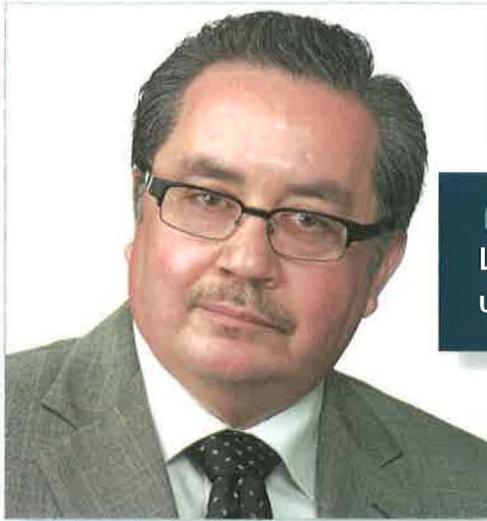
*TTolbert@SCSbyAVMG.com*

*Ken Pytlik*

*Web Applications Architect*

*CMG*

*kpytlik@cmgrp.com*



“I feel that working on the Texas Lottery should offer the opportunity of unlimited creativity with imagery work.”



## **Rey Nungaray** Production Manager

*Rey frequently juggles numerous projects at a time, but that never fazes him in his work. People often hear this about Rey and his team: "I don't know how they get it done, but they always do and they do it well!"*

### **Experience**

*Rey's career in imaging began immediately after graduating from college when he started his own business, offering top photographers and advertising agencies a specialized source to traditional print and manipulation of their imaging needs. His strengths have always been in capturing imagery and altering that image to fit another's vision.*

*During his time working in imaging, Rey has worked on a great number of strong brands: Mercedes Benz, RJR Reynolds, Star Wars, American Airlines, Nationwide Insurance, Zales, Mary Kay, Pizza Hut and Pepsi, just to name a few.*

### **Work History**

<i>TM Advertising</i>	<i>May 2006–Present</i>
<i>Vertis Communications</i>	<i>1997–2006</i>

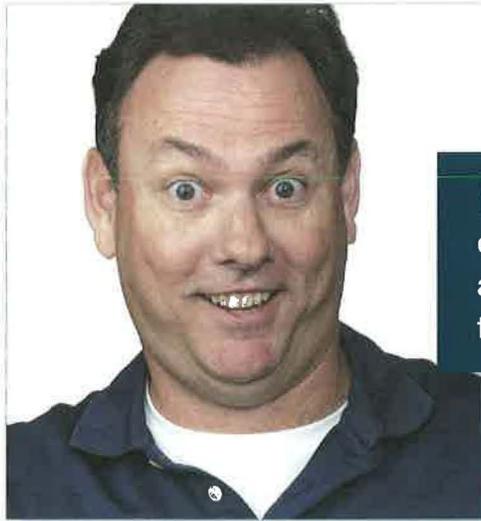
### **Education**

*Rey is a graduate of The University of Texas at El Paso.*

### **References**

*Joe Horner  
Vice President of Production (former)  
The Color Place  
artagents@yahoo.com*

*Brent Hoxsey Director of  
Business Development  
Harper House  
bhoxsey@harperhouse.com*



“I always enjoy working with new clients, and I am eager to help produce award-winning, industry-admired work for the Texas Lottery.”



## **Matt Shuler** Production Manager

*As a Production Manager, Matt constantly acts in the client's best interest. He does this by always having a plan – plan A, B and C, in fact. This way, nothing ever gets in between Matt and his actions in the best interests of his clients.*

### **Experience**

*Matt has been at TM Advertising since 2006. In that time, he has worked on numerous clients – a partial list would include: American Airlines, Nationwide Insurance, Discover Network, SuperMedia and Texas Tourism. His responsibilities have allowed Matt to work on both out-of-home advertising (billboards, delivery trucks, transit shelters, taxi tops) and direct mail (catalogs, brochures, dimensional mailings).*

*Matt has also worked closely with other departments such as Account Service, Media, Traffic and Creative – always working in cooperation for the mutual goal of bringing client ideas from concept to fulfillment. He always has a plan for how to get anything done for any client.*

### **Work History**

<i>TM Advertising</i>	<i>August 2006–Present</i>
<i>Targetbase</i>	<i>July 2006–August 2006</i>
<i>Pacific Communications</i>	<i>2000–June 2006</i>
<i>Stewart Holt Advertising</i>	<i>1999–2000</i>
<i>Townsend &amp; O'Leary Advertising</i>	<i>1998–1999</i>
<i>Pacific Communications</i>	<i>1996–1998</i>
<i>Bergen Brunswig Corporation</i>	<i>1994–1996</i>

### **Education**

*Matt graduated in 1994 from California State University at San Bernardino with a bachelor's degree in Marketing.*

### **References**

<i>Adam Kiviat</i>	<i>Michelle Mooney</i>
<i>Production Manager</i>	<i>Production Manager</i>
<i>CBS Outdoor</i>	<i>Pacific Communications</i>
<i>adam.kiviat@cbsoutdoor.com</i>	<i>michelle.mooney@pacific-com.com</i>



“The Lottery games bring an entertainment value to the consumer whether they win or lose. I believe strongly in the Lottery’s commitment to reinvest in the state of Texas.”



## **Debbie McIlhany** Production Coordinator

*Debbie's two main objectives in her work are: (1) enlighten the consumer, and (2) inform others in a way that sparks the imagination, that makes one look at something in a new light.*

### **Experience**

*As a Production Coordinator for TM Advertising, Debbie's been responsible for updating the agency audio/video library and developing a database for easy retrieval. She is indispensable as the department's point person for managing work flow and communication within the agency in all broadcast production matters. As a key researcher, TM depends upon Debbie for calling in footage when needed.*

*Some of the many accounts Debbie has worked on include: American Airlines, Bausch + Lomb, Bell Helicopter, Best Friends Animal Society, Dallas Film Society, Nationwide, Perot Museum of Nature & Science, SuperMedia and Texas Tourism.*

### **Work History**

<i>TM Advertising</i>	<i>2004–Present</i>
<i>DDB Dallas</i>	<i>2000–2004</i>
<i>TracyLocke</i>	<i>1996–2000</i>

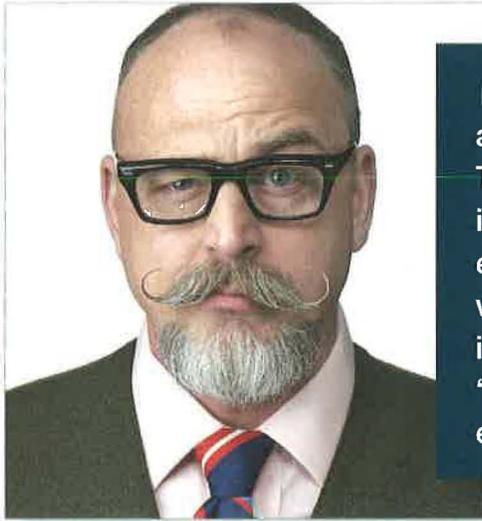
### **Education**

*Debbie holds a Theater/Music degree from Trinity University in San Antonio, Texas. In addition, Debbie attended the Directing Program in California's Drama Studio London USA.*

### **References**

*Judy Miller  
President  
SpotPlus Dallas  
judy.miller@spotplus.com*

*Will Clarke  
Executive Creative Director  
Integer Group  
wclarke@integerdallas.com*



“In advertising, rarely do we work on a product that generates such emotion. The anticipation and joy of winning is intoxicating, and translating that emotion for TV and online audiences will be a blast. Ultimately, however, it’s knowing that as a Texas Lottery ‘evangelist’ I could, in a small way, enrich the education of young Texans.”



## Hal Dantzler Broadcast Producer

*Hal is easily recognizable around the TM Advertising office – he’s the guy who knows how to rock a handlebar mustache.*

### Experience

*A seasoned advertising professional, Hal’s career has been successful and distinguished. He has done a great many things as a broadcast producer in numerous agencies, and his work has earned him and his team some well-deserved recognition. In fact, he produced the 2003 “Winners” campaign for the Texas Lottery.*

*The many clients Hal has worked with and produced great work for include: Reebok, Nissan, Little Debbie, Papa John’s Pizza, TABASCO, Discovery Channel, ExxonMobil, the NFL Network, American Airlines, SuperMedia and Nationwide Insurance.*

### Work History

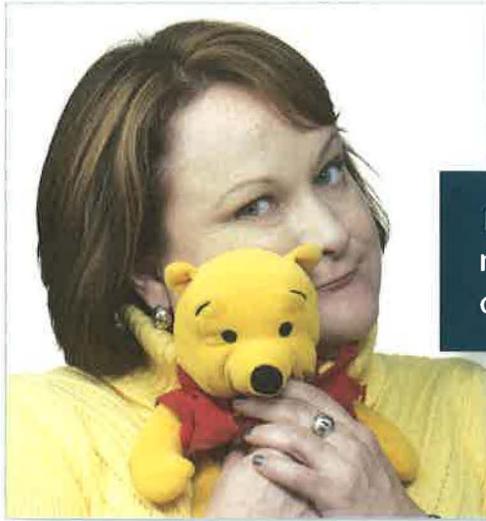
<i>TM Advertising</i>	<i>2004–Present</i>
<i>DDB Dallas</i>	<i>1995–2004</i>
<i>West &amp; Company</i>	<i>1993–1995</i>
<i>ChiatDay</i>	<i>1990–1993</i>

### Education

*Hal is a graduate of the University of Southern Carolina, where he earned his bachelor’s degree in Media Arts in 1988.*

### References

<i>Lola Lott</i>	<i>Tammie Kleinmann</i>
<i>Executive Producer</i>	<i>CFO/Partner</i>
<i>CharlieUniformTango</i>	<i>Producer</i>
<i>214.922.9222</i>	<i>214.747.1951</i>



“My love for the great state of Texas makes working on anything Texan an opportunity I just can't pass up!”



## **Stephanie Murdoch** Broadcast Producer

*She is known affectionately as “The Hammer” around TM Advertising. You can bet that when something needs to get done, Stephanie is our go-to gal.*

### **Experience**

*Stephanie is a multitalented advertising professional with skills and talents that span several platforms. Whether it's producing work for television, radio, electronic billboards, corporate videos or online, Stephanie brings an exceptional work ethic and enthusiasm to everything she does. She is always up to any challenge and dedicates herself to consistently delivering quality work.*

*Her work as a Broadcast Producer for the Texas Tourism account has allowed Stephanie to see more of the great state of Texas than your average person. This experience has led Stephanie to develop a deep appreciation for the vast beauty and diversity that this state has to offer. Simply put – she's a true Texan at heart!*

### **Work History**

*TM Advertising  
McCann-Erickson*

*November 2011–Present  
June 1994–November 2011*

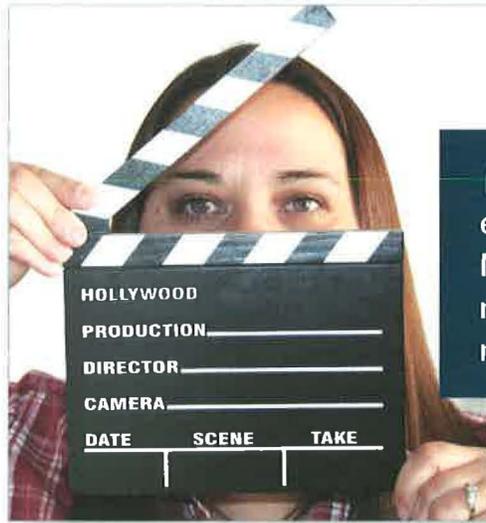
### **Education**

*Stephanie graduated from Texas Tech University in 1993 with a bachelor's degree in Public Relations.*

### **References**

*Lola Lott  
Executive Producer/Owner  
Charlieuniformtango  
lola@charlietango.com*

*John Gilliland  
Executive Producer  
Directorz  
johng@directorz.net*



“The Texas Lottery is part of my everyday life and my father’s, too. My day doesn’t feel completed if I do not buy my scratch-off ticket with my morning soft drink.”

**BROMLEY** **Kelly Blakeley** Broadcast Producer (multicultural specialist)

*Kelly is a Broadcast Producer, but she is also Bromley’s go-to person. She knows the ins and outs of the agency and is the person people will go to for any type of question. Due to her perfect memory, you will get an immediate answer or a solution.*

**Experience**

*Kelly started her career in the traffic department and has worked on numerous agency accounts from Coors Light and Burger King to Western Union. Her responsibilities included managing timelines and monitoring projects through a process. She now produces TV and radio commercials for GMI and Western Union. She also has an extensive background in print production from working at New Century Graphics, where she managed print projects for IBC Bank and the U.S. Air Force.*

*She is an organized and take-charge individual with exceptional follow-through abilities and detail orientation, capable of planning projects from concept to successful completion. She is an analytical problem solver, with demonstrated ability to efficiently prioritize a broad range of responsibilities to achieve a maximum level of effectiveness. She has great interpersonal relations and is a team player.*

**Work History**

Bromley Communications	February 2005–Present
New Century Graphics Printing	August 2000–January 2005

**Education**

*Kelly has her associate’s degree in Accounting Technology and continues her studies to date.*

**References:**

Irene Monzon Freelance Broadcast Producer imonzy@aol.com	Pedro Roura Brand Executive Producer APR Consulting proura@aprco.com
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“The Texas Lottery presents me with a new and different sort of challenge, one that I feel eager about and ready to take on.”



## Norita Jones Print Producer

*If you ask Norita what she likes best about working at TM Advertising, there's no doubt about her answer: "Staying connected to the team I work with and servicing our clients at the level they've come to expect from TM."*

### Experience

*Since beginning there in 1980, Norita has been involved with purchasing and controlling the quality of required print-related services. Norita is also heavily involved in delivering digital solutions to clients at TM. Some of the many responsibilities Norita is active with include the maintaining of reliable outside printing vendors; having extensive knowledge of pre-press, printing, estimating, negotiating and purchasing methods; managing the image process, from retouching needs to quality control; and generating estimates for internal print and studio costs.*

*Of the many projects Norita has worked on, some of her favorites are: 3-D Space Ship for the grand opening of the Paris Casino Las Vegas, Bank of America's out-of-home outdoor campaign for the 1996 Atlanta Olympics and her current work on out-of-home projects for American Airlines.*

### Work History

*TM Advertising*

*1980–Present*

### Education

*Norita attended Del Mar College in Corpus Christi, Texas, and Eastfield College in Mesquite, Texas. She is a graduate of the Braniff International Flight Attendant School.*

### References

*Ken Feder*

*Director, OOH Print*

*Orion Trading*

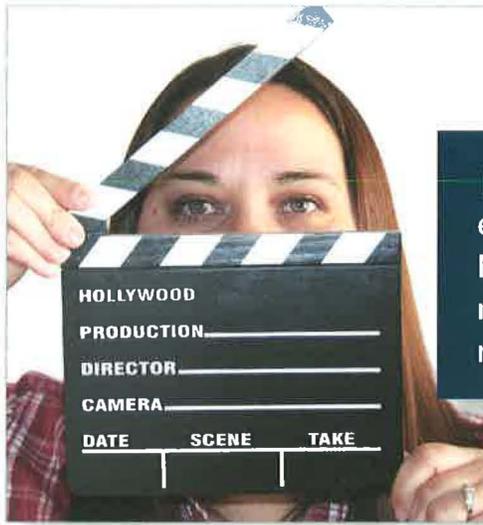
*ken.feder@oriontradingwww.com*

*Jesse Williamson*

*President*

*Williamson Printing Corporation*

*jessewpc@aol.com*



“The Texas Lottery is part of my everyday life and my father’s, too. My day doesn’t feel completed if I do not buy my scratch-off ticket with my morning soft drink.”

**BROMLEY** **Kelly Blakeley** Print Producer (multicultural specialist)

*Kelly is a Print Producer, but she is also Bromley’s go-to person. She knows the ins and outs of the agency and is the person people will go to for any type of question. Due to her perfect memory, you will get an immediate answer or a solution.*

**Experience**

*Kelly started her career in the traffic department and has worked on numerous agency accounts from Coors Light and Burger King to Western Union. Her responsibilities included managing timelines and monitoring projects through a process. She now produces TV and radio commercials for GMI and Western Union. She also has an extensive background in Print Production from working at New Century Graphics, where she managed print projects for IBC Bank and the U.S. Air Force.*

*She is an organized and take-charge individual with exceptional follow-through abilities and detail orientation, capable of planning projects from concept to successful completion. She is an analytical problem solver, with demonstrated ability to efficiently prioritize a broad range of responsibilities to achieve a maximum level of effectiveness. She has great interpersonal relations and is a team player.*

**Work History**

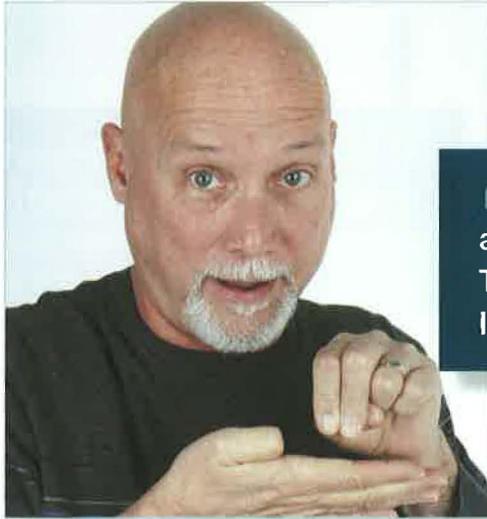
Bromley Communications	February 2005–Present
New Century Graphics Printing	August 2000–January 2005

**Education**

*Kelly has her associate’s degree in Accounting Technology and continues her studies to date.*

**References:**

Irene Monzon Freelance Broadcast Producer imonzy@aol.com	Pedro Roura Brand Executive Producer APR Consulting proura@aprco.com
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“The games are fun when you win – and Texas kids benefit when you don’t! That’s the kind of no-lose proposition I want to be part of.”



## Clay Godwin Print Production Specialist

*Contrary to the saying, Clay always tries to sweat the “small stuff.” Why? Well, because it’s the little things in life that bring the most joy – and it is often the little details that determine the success or failure of work.*

### Experience

*Clay has been a part of the print advertising field since 1979. He feels fortunate to have been part of a team that has produced print ads, collateral and out-of-home for a diverse group of clients, including American Airlines, Bank of America, Nationwide Insurance, Subaru of America, Texas Tourism and Verizon.*

*Beginning his career in a type shop and eventually finding himself in an agency art studio, Clay feels lucky that he has been able to learn the elements of typography and design from some very talented individuals. What has impacted him most is being part of an industry that has undergone constant change. For Clay, this experience has been exhilarating.*

### Work History

*TM Advertising*

*February 1987–Present*

### Education

*Clay holds a bachelor’s degree in Journalism from Texas Tech University.*

### References

*Sharon Higbee*

*Print Production Manager*

*Neiman Marcus Group Services*

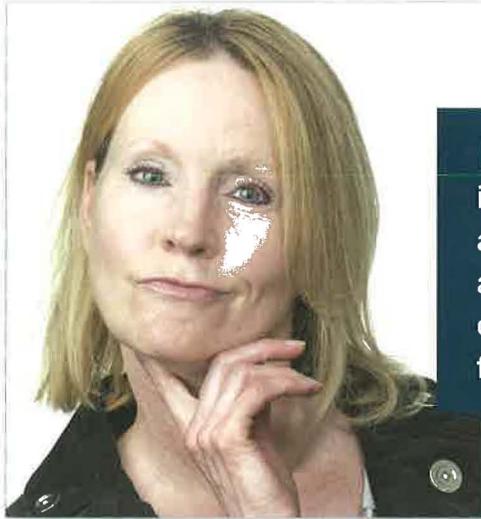
*sharon\_higbee@neimanmarcus.com*

*David Wilson*

*Digital Studio Manager*

*Mary Kay, Inc.*

*david.k.wilson@mac.com*



“In my opinion, the Texas Lottery is not only a fun opportunity for any advertising professional, but I also believe strongly in the Lottery’s commitment to support Texas education for the future generation of Texans.”



## Ranelle Fowler Art Buyer

*“People are always going to fail at something, at some time in their lives. It’s the people who get up again and try that I admire.” For Ranelle, these people are the risk takers. They are her inspiration. “If you fall down seven times, get up eight.”*

### Experience

*Since 2007, Ranelle has been part of the TM Advertising family. She has a diverse digital background, including sourcing CGI firms for digital and animatics, as well as producing projects for clients such as Bell Helicopter, Texas Tourism and Best Friends. Her retail marketing experience includes work with JCPenney, Dillard’s and SmartWool.*

*Ranelle brings diverse producing experience to TM. Prior to coming to the agency, she worked as a freelance producer and spent time in the photography industry. Her talents are strong, and her superior work ethic is evident in the accounts she has worked on.*

### Work History

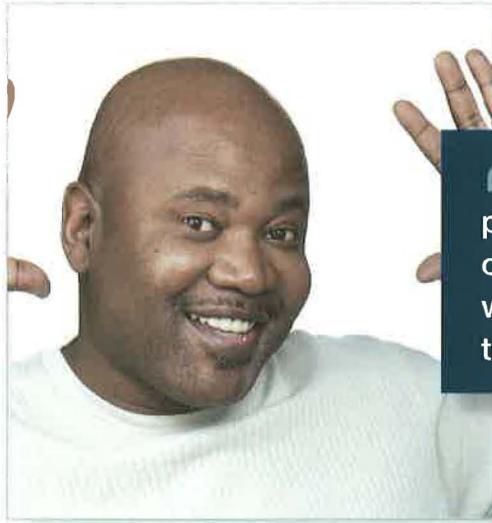
<i>TM Advertising</i>	<i>2007–Present</i>
<i>Vertis Communications</i>	<i>2005–2007</i>
<i>Freelance Producer</i>	

### Education

*Ranelle holds a degree in Art History from the University of Houston.*

### References

<i>Sheila Mullin</i>	<i>Kathy Borusheski</i>
<i>Owner</i>	<i>Representatives</i>
<i>Those3Reps</i>	<i>Getty Images</i>
<i>sheila@those3reps.com</i>	<i>kathy.borusheski@gettyimages.com</i>



“Working on the Texas Lottery presents a wonderful opportunity for one to learn how the lottery process works – something I’ve been very eager to learn about.”



## **Doug Jackson** Traffic Specialist (print)

*Doug holds to the philosophy “Come to work to work. Try your best to complete your task right the first time. And treat your coworkers as you would like to be treated.” Of course, it helps when you love what you do – and Doug certainly does.*

### **Experience**

*Doug came to TM Advertising in September 1990. His role as a Traffic Specialist has led him to work on accounts such as Texas Tourism, among others. He works closely with various other departments within TM, and, as his philosophy states, Doug comes to TM every day to work.*

*Prior to beginning at TM, Doug was a Records and Parts Specialist for the United States Army. The skills and discipline he received from his time in our armed forces have translated to the strong work ethic he displays around TM on a daily basis.*

### **Work History**

*TM Advertising  
United States Army*

*September 1990–Present  
December 1986–June 1990*

### **Education**

*Doug attended North Texas State University from 1980 to 1983, then Texas Tech University from 1984 to 1985.*

### **References**

*Sharon Higbee  
Neiman Marcus  
Sharon\_Higbee@neimanmarcus.com*

*Lisa Anderson  
Administrative Assistant  
Temerlin McClain  
Lisa.Anderson@cca.com*



“I’d love to be a part of something fun that will help our education system which is so dear to my heart.”

**BROMLEY** **Debbie Crow** Traffic Specialist (broadcast)

*Debbie is the Broadcast Traffic Specialist, but really, she describes her role at Bromley as “making traffic paperless, a time-sensitive job, very organized along with confirmations for documentation and easy access” – always. It’s something she enjoys very much.*

**Experience**

*Debbie is truly a very organized individual, who traffics in a very timely manner and makes sure all networks and stations receive their materials for airing. She has worked on radio, television and print traffic for the following clients: BMW, Coors, General Mills, Miller Lite, NBA and Western Union.*

*Before coming to advertising, Debbie spent time at the East Central Independent School District, where she managed all sports schedules and developed athletic programs for all sports. She was also responsible for hiring stadium workers and referees for all athletic events. After leaving East Central she ran for School Board Trustee, where she served ECISD for three years, where the motto was “Children Come First.”*

**Work History**

<i>Bromley Communications</i>	<i>January 1995–Present</i>
<i>ECISD</i>	<i>May 1996–May 1999</i>
<i>ECISD</i>	<i>August 1979–January 1995</i>

**Education**

*Debbie graduated from Baptist Memorial Hospital in 1970 with a medical degree in Radiology.*

**References**

<i>Dr. Anthony B. Constanzo, Ph. D.</i>	<i>Ernest Bromley</i>
<i>Superintendent ECISD</i>	<i>Chief Executive Officer</i>
	<i>Bromley Communications</i>
	<i>ernest.bromley@bromley.biz</i>



“Being a ‘True Texan,’ I would be thrilled to work on an account that is so close to my heart and my home.”



## **Amy Harris** Project Manager

*“Be curious, open-minded and efficient at all times.” This is how Amy lives her professional life at TM Advertising. She lives by this every day, and does it well.*

### **Experience**

*Amy has been a part of the TM family for 11 years. During that time, she has dedicated her talents and skills to a wide array of accounts, both national and international. Some of these include American Airlines, Bank of America, Bell Helicopter, E-Z-GO, Texas Tourism, Texas Instruments, Subaru and Verizon.*

*Her vast account experience in various industries and her open-minded nature have allowed Amy to gain a strong level of experience in many different aspects of advertising, making her a strong addition to any client campaign.*

### **Work History**

<i>TM Advertising</i>	<i>2000–Present</i>
<i>Levenson &amp; Hill</i>	<i>1997–2000</i>

### **Education**

*Amy graduated from Eastfield College with a degree in Business Administration.*

### **References**

<i>Sophie Reeds</i>	<i>Iraxy Reyna</i>
<i>Account Supervisor</i>	<i>International Account Executive</i>
<i>TM Advertising</i>	<i>TM Advertising</i>
<i>sophiereeds1@gmail.com</i>	<i>iraxyreyna@gmail.com</i>



“There’s something to be said about trying your luck. You either go for it or you don’t! And, as I see it, there is nothing more challenging than a constantly changing project that brings excitement to your job. Bring it on!”

## **BROMLEY** Leslie DeSpain Project Manager (multicultural specialist)

*Leslie is a Project Manager. She ensures all creative projects are moving smoothly from start to finish. For someone as detail-oriented and precise as Leslie, there couldn't be a better fit.*

### **Experience**

*Leslie knows how to run a business, literally. Not only has she managed her own car-washing service, she's also managed a variety of print and television projects for a number of advertising agencies. Leslie considers herself a dependable and resourceful team player. She focuses on producing practical and effective solutions for clients and agency partners. And, having worked briefly on the Texas Lottery, she knows what it takes to deliver on expectations.*

*Before calling Bromley home, Leslie worked at The Cartel as a Traffic Manager for the U.S. Army, Audi Latin America and Church's Chicken accounts.*

### **Work History**

<i>Bromley Communications</i>	<i>September 2010–Present</i>
<i>The Cartel</i>	<i>September 2004–July 2010</i>
<i>Wash Barn Full Service Car Wash</i>	<i>June 2002–April 2004</i>
<i>Cartel Creativo</i>	<i>March 2000–April 2002</i>
<i>Inventiva</i>	<i>January 1998–April 1999</i>

### **Education**

*Leslie graduated from Miss Wade's College in 1988 with an associate degree in Interior Design. Since then, she has taken Continuing Education Seminars at The University of Texas in San Antonio.*

### **References**

<i>Sean Salas</i>	<i>Ana Leen</i>
<i>Owner</i>	<i>Account Director</i>
<i>The Cartel</i>	<i>The Cartel</i>
<i>210.602.8880</i>	<i>210.889.2079</i>



“Not sure if it has to do with my Catholicism, Latino Heritage or humble beginnings, but growing up in a South Texas border town, I learned that hard work brings endless opportunities. I'd love to work hard for the Texas Lottery because everybody enjoys excitement, no matter what language you speak.”

**BROMLEY**

## **Jon Jaimes** Translator (multicultural specialist)

*Jon is not just a brilliant writer; he is someone who brings rich brand stories to life in a simple and smart way.*

### **Experience**

*In his career, Jon has seamlessly married entertainment and usefulness in his work while trying to sell a wide array of products. His clients include: BMW, Burger King, General Mills, MillerCoors, the National Basketball Association, Nestlé, Payless ShoeSource, Reynold's and Western Union.*

*His portfolio doesn't settle for a 360-degree approach, but instead for a 365-day approach. Through every medium technology has to offer, Jon has always tried to turn his client's products from a consumer's option to their everyday necessities.*

### **Work History**

*Bromley Communications*

*2007–Present*

### **Education**

*Jon graduated from Incarnate Word University in 2007 with a bachelor's degree in Communication Arts.*

### **References**

*Catarino Lopez  
CEO/President  
Machete, Inc.  
catarino.lopez@macheteinc.com*

*Paul Serafy  
Hispanic Outreach &  
Public Affairs Consultant  
Hispanic Voter Network  
paul@serafy.com*



“I’m proud of accomplishing highly effective buzz-worthy programs for the Illinois Lottery and Texas Lottery in the past. Now I’d like to put that experience to use for the Texas Lottery once again.”



## **Bobbi Merkel** Promotional Event Planner

*Bobbi believes that you should “go big or don’t bother.” Also, that we should first always consider the passions of the consumer without forgetting about the brand, ever. So when you connect with the consumer on behalf of the brand, everyone wins.*

### **Experience**

*Bobbi brings experience that ensures the success of promotional programs for brands at national retailers. She has been a part of the teams that have delivered some of the best known entertainment-based marketing programs, among them The Simpsons program for 7-Eleven, which she negotiated with 20th Century Fox. Other programs for 7-Eleven include The Apprentice and national promotions with each of the major studios and video game publishers as well as game hardware systems such as SONY and Xbox 360 plus WWE. Her work currently includes delivering a promotion for Kmart that involved four properties, each from a different studio – Green Lantern, Cars 2, Transformers 3 and Captain America – and negotiating their 2012 agreement with WWE. Her agency work includes Harrah’s Entertainment for which she led promotional plans and negotiations as well as the Illinois Lottery.*

### **Work History**

TPN	2007–present
TracyLocke	2003–2006
Einson Freeman	2000–2003
Boston Beer Company	1996–2000
The Marketing Continuum	1984–1996
TracyLocke	1981–1984
Miller Brewing Company	1974–1981

### **Education**

*Bobbi graduated from the University of Wisconsin – Milwaukee with a BBA degree in Marketing. She attended Executive Education while in Boston at Harvard Business School.*

### **References**

David Foxx	Rita Bargerhuff
Director of Entertainment Programming	CMO VP Marketing (former) 7-Eleven
Sears Holdings Corporation	bargerhuff@aol.com
David.Foxx@searshc.com	



“I believe in the possibility of winning. Whether the odds are high or relatively low, I believe that you can't win unless you play. It's how I live my life – living each moment for all it's worth and taking chances others might not be willing to take.”



## Kristin “KEKE” Strayhan Promotions Specialist

*Kristin, better known as KEKE, is a seasoned marketing professional with 17 years of experience in consumer promotions and event planning.*

### Experience

*KEKE brings an eye to detail to each project she leads. She is recognized by both clients and peers for having the ability to see a program through from strategy to execution while motivating her teams to put forth their best work. Whether working for 7-Eleven, AT&T, Samsung, T-Mobile, Intel or NatureSweet, her goal is always to surprise and delight consumers.*

### Work History

*TPN*

*August 1995–Present*

*Lake Austin Spa Resort*

*January 1995–August 1995*

### Education

*KEKE graduated from The University of Texas at Austin in 2005 with a bachelor's degree in Marketing.*

### References

*Jonathan Richman*

*Managing Director*

*Immediate Consumption*

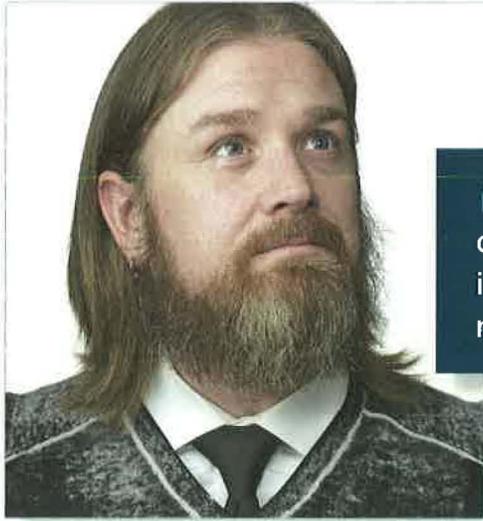
*Jon\_Richman@immediateconsumption.com*

*Bobby Patton*

*Vice President*

*NatureSweet Ltd.*

*BobbyPatton123@gmail.com*



“I would be proud to be part of an organization that has high standards of integrity and successfully balances the needs of players and the state.”



## Wesley Porter Creative Director (promotions specialist)

Wesley wholeheartedly believes in putting his heart into everything he does and to work to add value to every project. It's what he does every day as a Group Creative Director.

### Experience

Wesley brings strong advertising experience in a wide range of areas to his work at TPN. His digital experience includes site redesigns, banner ads, microsites and social media. He has also spent the last 15 years doing work in the shopper/retail marketing arena, doing everything from POS to digital to OOH.

When it comes to communicating with the diverse Texas population, Wesley brings prior knowledge from having worked with Pepsi Bottling Group and Frito-Lay. He also has some prior gaming/government account work under his belt: Harrah's Casino, Sam's Town Gambling Hall and the Texas Music Project.

### Work History

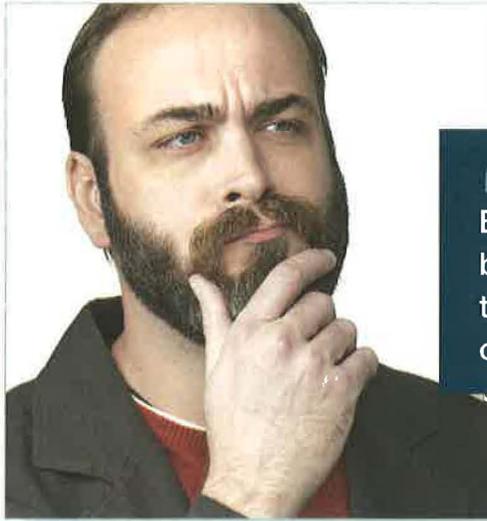
TPN	2008–Present
Rocket Red Dallas	2007–2008
TracyLocke	1998–2007
MMG	1995–1998
Hardaway	1993–1995
MicroAge	1992–1993

### Education

Wesley earned his BFA degree from Kansas State University.

### References

Kim Branthoover Vice President of Marketing, Food Service Borden Dairy kbranthoover@gmail.com	Hallie Currigan Field Marketing Manager LP Building Projects hallie.currigan@lpcorp.com
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“I’m so proud of my Texas heritage. Being a fifth-generation Texan, I would be honored to work on an account that contributes to the growth of our economy.”



**Brian Jackson** Associate Creative Director  
(promotions specialist)

*“Being creative should never feel like work,” Brian says. That’s probably why Brian does his job so well – because for him, it’s just simple fun.*

**Experience**

*With his experience as an Associate Creative Director for clients such as Borden and Bank of America, Brian brings more than 15 years of experience to TPN. His portfolio includes clients with a national presence, such as: Merrill Lynch, Quaker, Aunt Jemima, Tuesday Morning, Wolf Brand and Frito-Lay. In addition, Brian has done work for numerous local clients. Brian’s creative efforts have been recognized by Ogilvy, One Show and the Telly Awards.*

*His experience in advertising includes elements of digital – such as Web site redesigns, banner ads, microsites and social media – as well as mass media, such as television, print, in-store displays and retail marketing. He has done work in the Hispanic market for clients such as Dos Equis beer, Tecate and Bohemia.*

**Work History**

TPN	November 2005–Present
Hammerhead Advertising	July 2003–November 2005
Saunders Ream	November 2001–July 2003
Berry Brown Advertising	September 2000–November 2001
The Marketing Continuum	November 1998–January 2000
Brainstorm Design	December 1996–June 1997

**Education**

*Brian earned a BFA degree from the University of North Texas.*

**References**

Lauren Imrich	Jim Hradecky
Senior Vice President of Channel Production and Merchandising	Executive Creative Director
Bank of America	Krause Advertising
lauren.imrich@bankofamerica.com	hradecky.jim@gmail.com



“Being in the accounting department, I have always been drawn to anything that has to do with numbers and money. The Lottery presents a unique and exciting challenge.”



## **Carol Smith** Finance Manager

*“Treat everyone nice; you never know what kind of day they’re having.” This is Carol’s philosophy, and it’s something she lives through word and deed every day at TM Advertising.*

### **Experience**

*Beginning her career with TM in 1979 – and working with a vast client list that includes, among others, American Airlines, Nationwide Insurance, Texas Tourism, Redhook Ale Brewery and Captain D’s – Carol is responsible for all areas of client billing, from supporting the budget managers to ensuring all client billing is handled correctly to assisting in the implementation of new processes that involve billing procedures.*

*Carol brings extensive experience to any account she works on. From her time as an Assistant Budget Manager to being a Budget Manager for the American Airlines account to her present role as a Finance Manager – Carol has the experience, the know-how and careful attention to detail to ensure consistent success.*

### **Work History**

<i>TM Advertising</i>	<i>December 1979–Present</i>
<i>Core Laboratories</i>	<i>September 1978–December 1979</i>
<i>J. I. Case</i>	<i>1975–1978</i>

### **Education**

*Carol is a graduate of the University of Wisconsin – Oshkosh.*

### **References**

*Debbie Shanks  
Controller – Brand, Advertising &  
Diversity Markets  
American Airlines  
Debbie.Shanks@aa.com*

*Stacey Wilson  
Financial Analyst – Brand, Advertising &  
Diversity Markets  
American Airlines  
Stacey.Wilson@aa.com*



“My family has always been around this game. I still remember seeing the excitement on so many of their faces. I’d like to spread that feeling to more people.”



## Chris Alleman Staff Accountant

*Chris believes in always being kind to everyone – everyone you happen to meet is fighting a hard battle of his or her own.*

### Experience

*Chris has been part of the TM Advertising family since 2007. His role within the agency is to monitor internal financial records as well as maintaining client-friendly relationships by quickly resolving any potential issues that may arise from billing, payment or other financial matters.*

*In his experience, Chris has worked with a wide range of clients, some of which include, among others, American Airlines, Nationwide Insurance, American Debt Control, Bausch + Lomb, Discover Network, SuperMedia, Captain D’s Seafood and Texas Tourism.*

### Work History

<i>TM Advertising</i>	<i>2007–Present</i>
<i>CompUSA</i>	<i>2006–2007</i>
<i>Payless ShoeSource</i>	<i>2002–2006</i>
<i>The City of the Colony</i>	<i>1997–1999; 2002</i>
<i>McDonald’s</i>	<i>1997–1998</i>

### Education

*Chris holds an associate’s degree from Collin County Community College as well as his bachelor’s degree in Accounting from Brigham Young University.*

### References

*Gladys Kwenda  
Assistant Controller  
TM Advertising  
gladys.kwenda@tm.com*

*Milton Colegrove  
Managing Partner  
Meyer & Colegrove, PLLC  
mcolegrove@meyercolegrovelaw.com*



“I like the prestige of working with a client as well-known and financially conscious as the Lottery. I am also proud of The Ward Group’s commitment to treat client budgets as if they were their own. I want to be part of implementing and improving that process.”



## **Kathy Davidson** Staff Accountant (media specialist)

*Kathy is a staff accountant for The Ward Group. She looks forward to focusing her talents on overseeing the billing process for the Texas Lottery to ensure its accuracy and timeliness.*

### **Experience**

*Kathy has more than 22 years of experience in financial management, including operations, software testing, audit, general ledger, accounts payable, reconciliation and other aspects of business financials. Her responsibilities include month-end financials, balance sheet reconciliation, preparing and posting all journal entries and accruals, monthly GL reconciliation, payroll, client billing, software testing, auditing client billing process, auditing vendor payables, reconciling client media accounts and reconciling spending to budget.*

*Before joining The Ward Group, Kathy worked for a company where she was directly responsible for the implementation of an accounting system. She was also responsible for the training and ongoing accounting and technical support for the system. With her years of experience, she easily understands the big picture and works swiftly to implement new ideas and processes.*

### **Work History**

<i>The Ward Group, Inc.</i>	<i>August 2011–Present</i>
<i>TH Enterprises, Inc.</i>	<i>November 2008–August 2011</i>
<i>The Ward Group, Inc.</i>	<i>December 2006–October 2008</i>
<i>TH Enterprises, Inc.</i>	<i>February 2001–December 2006</i>
<i>The Jewish Community Center</i>	<i>September 1999–January 2001</i>
<i>TH Enterprises, Inc.</i>	<i>January 1990–August 1999</i>

### **Education**

*Kathy has attended Mountain View Community College in Dallas and The University of Texas at El Paso.*

### **References**

<i>Michael Irvine</i>	<i>Ted Hoisington</i>
<i>Director of Administration</i>	<i>President</i>
<i>CTCOG</i>	<i>TH Enterprises, Inc.</i>
<i>mrvine@ctcog.org</i>	<i>tedh@thent.com</i>



“Being the first generation in my family to graduate from college, I know firsthand the hard work it took for my parents to fulfill their dream – and mine – of getting a higher education. Working for the Texas Lottery gives me the feeling that I could be part of something big.”

**BROMLEY** **Edith Ramirez** Staff Accountant (multicultural specialist)

*Edith prides herself on knowing the ins and outs of finance in the advertising field. After 17 years, she still enjoys discovering the nuances of every client and collaborating with them to make the client/agency financial relationship fluid.*

**Experience**

*Edith has always been a numbers girl. After graduating with a bachelor's degree in Accounting, she came to work in Bromley's Finance department. Although she has worked on both the client accounting and the agency financials sides of the department during her time with Bromley, she mostly enjoys working with the clients on both the media and production fronts.*

*She works closely with the client's finance personnel, providing them with budget reports and accrual reports. She has managed the bill/pay function for clients such as Burger King, Procter & Gamble, MillerCoors and General Mills, as well as overseeing collections for all clients. She has also been involved in fee calculations, agency expenses and month-end reporting. Edith is very well rounded and knowledgeable in the financial area of the agency.*

**Work History**

*Bromley Communications* January 1995–Present

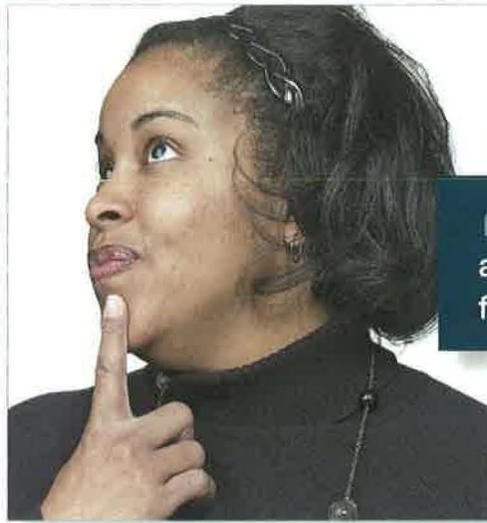
**Education**

*Edith received a BBA degree in Accounting from Texas State University. She then earned an MBA degree from University of the Incarnate Word.*

**References**

*Doreen Alicea  
VP, Assistant Director,  
Client Financial Services  
ReSources USA  
Doreen.Alicea@us-resources.com*

*Marci Homer  
Commercial Accountant  
MillerCoors  
Marci.Homer@MillerCoors.com*



“I would be pleased to help promote an organization that generates money for Texas education.”



## **Rochelle Haynie** Billing Coordinator

*“Don't sweat the small stuff” – this is how Rochelle approaches life. That's not to say, however, that this is the same approach she uses in the workplace. Quite the opposite, in fact. When it comes to her work as a Budget Coordinator, the “small stuff” is what counts.*

### **Experience**

*In 2010, Rochelle transitioned to her current role as a Billing Coordinator. She oversees production and media billings for many clients, such as SuperMedia, Discover, Redhook Ale Brewery, Group Health, Texas Tourism and American Airlines.*

*Prior to her current role, Rochelle served as a Print Media Coordinator/Buyer for TM, working on American Airlines, Toshiba and Green Mountain Energy. Her responsibilities included the establishment of traditional print and digital media contracts and securing ad placements with media vendors.*

### **Work History**

*TM Advertising* 1998–Present

### **Education**

*Rochelle holds a bachelor's degree in Broadcast Communications from The University of Texas, Arlington.*

### **References**

*Jessica Robinson  
Manager – Brand Communications  
Mark Kay, Inc.  
jessica.robinson@mkcorp.com*

*Donna Ervin  
Office Manager  
Zeko Media  
donna@zekomedia.com*



“I’m not from Texas, but I got here as fast as I could. Texas has been very good to me, my husband, my four children and my parents as we all moved together to this wonderful state. I hope to get the chance to do great things for this state that has done so much for my company and my family.”



## Becca Weigman CEO, TM Advertising

*Becca believes that “impatience is a virtue.” She expects results, and she expects them quick. In a fast-paced industry such as advertising, it helps that TM Advertising has an equally fast-paced leader in Becca.*

### Experience

*Becca is TM’s Chief Executive Officer. She directs, guides and oversees the high-level strategic thinking and is the leadership beacon for the agency. She insists that we overdeliver as an agency and that each client be consistently inspired with the results they are receiving from TM. She pushes everyone at the agency to achieve more than they thought possible. In every sense of the word, Becca is a leader, one who leads by example.*

*Her vast list of clients includes: American Airlines, SuperMedia, Hyatt Hotels, Arby’s Restaurant, Best Buy, Hostess Snacks, Direct Energy, Bank of America, Amway Global, Maryland State Tourism, the Maryland State Lottery, Enterprise Rent-A-Car, SAP, Harrah’s Casinos, Caesars Casinos, Gaylord Entertainment, Mills Development Corporation, CES and Luxotica.*

### Work History

<i>TM Advertising</i>	<i>2010–Present</i>
<i>RAPP</i>	<i>2006–2010</i>
<i>Trahan Burden &amp; Charles</i>	<i>2001–2006</i>
<i>TracyLocke</i>	<i>1998–2001</i>
<i>Arnold Worldwide</i>	<i>1998–1998</i>
<i>Trahan Burden &amp; Charles</i>	<i>1994–1998</i>
<i>Mamma Ilardo’s Corporation</i>	<i>1992–1994</i>
<i>Doner Advertising</i>	<i>1989–1992</i>

### Education

*Becca graduated from Loyola University in Maryland.*

### References

<i>Phil Tonge</i>	<i>Gary Von Kennel</i>
<i>President</i>	<i>Consultant (former Chairman of RAPP)</i>
<i>Spark Energy</i>	<i>gary.vonkennel@yahoo.com</i>
<i>pwtonge@tx.rr.com</i>	



“Lottery?? I thought you said Texas ‘Pottery.’ Lottery sounds much more fun!”



## **Bill Oakley** CCO, TM Advertising

*Bill is well-known for his commitment and desire to walk side by side with clients as their brand grows and evolves over time.*

### **Experience**

*Unlike any other big agency CCO, Bill is unique in his ability to get to the core of a business challenge and discover powerful, unexpected creative solutions. He has spent more than 20 years being part of the TM Advertising family, and each day he comes to work committed to delivering intelligent, creative solutions to any problem faced by clients.*

*Some of the numerous clients Bill has had the chance to work on include: American Airlines, ExxonMobil, Bank of America, Michelob Light, Subaru of America, Bennigan’s Restaurant, La Quinta Inn & Suites, Budweiser, Nortel Networks and SuperMedia.*

### **Work History**

<i>TM Advertising</i>	<i>1991–Present</i>
<i>Hutcheson Schutze/BBDO</i>	<i>1989–1991</i>
<i>DMB&amp;B</i>	<i>1983–1989</i>
<i>Hesselbart &amp; Mitten</i>	<i>1981–1983</i>
<i>Ira Thomas</i>	<i>1979–1981</i>

### **Education**

*Bill has a degree in Fine Arts and Mechanical Engineering from Youngtown State University.*

### **References**

*David Boede  
President – Americas Region  
MRM Worldwide  
dave.boede@mccann.com*

*Stephen Schlachter  
Director, Marketing and  
Communications Strategy  
American Airlines  
stephen.schlachter@aa.com*



“I’m a proud and true Texan to my core. Since I care deeply about this great state, I find the opportunity to work with an organization like the Texas Lottery that gives so much back to the state and its education system personally satisfying.”



**Byron Nelson** COO/CFO, TM Advertising

*Byron is the go-to guy for all matters pertaining to agency operations.*

**Experience**

*Byron brings more than 35 years of experience to his role as Chief Operating Officer at TM Advertising. His responsibilities include overseeing various departments: accounting, information technology, facilities and human resources.*

*In everything he does, Byron works hard to ensure that all agency operations are executed flawlessly and efficiently. He does this to make certain that every client receives consistent and exceptional service from TM.*

**Work History**

<i>TM Advertising</i>	<i>1978–Present</i>
<i>KPMG</i>	<i>1974–1978</i>

**Education**

*Byron earned his bachelor of arts degree in Accounting from Midland University in 1974.*

**References**

<i>Tom Hansen</i>	<i>Bob Pedersen, CPA</i>
<i>President/CEO</i>	<i>Partner</i>
<i>Heelys, Inc.</i>	<i>Pedersen &amp; Jones</i>
<i>thansen@heelys.com</i>	<i>bob@pjcpas.com</i>



“I feel lucky to be in Texas. Born in Schenectady, New York, and raised in Mexico City, I took the long way home. I guess you can say that I believe in luck and the potential that all Texans have.”

## **BROMLEY** Ernest Bromley CEO, Bromley

*Ernest is CEO of Bromley.*

### **Experience**

*Ernest has been responsible for the development and execution of the agency's vision and outstanding products and services, and he works closely with account teams in developing sound marketing strategies for client partners. He has also been instrumental in developing the agency's research and Hispanic-marketing approach, "AIG" (Acculturation Influence Groups).*

*Ernest has been a trailblazer in building the agency to be the leading Hispanic marketing communications company, empowering clients such as General Mills, Coors Light, Genentech, NBA, Susan G. Komen for the Cure and the National Pork Board in the changing American marketplace.*

### **Work History**

*Bromley Communications  
UTSA*

*July 1981–Present  
January 1981–December 1981*

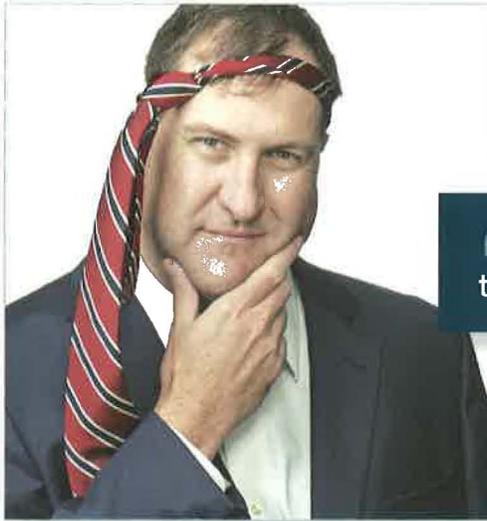
### **Education**

*Ernest graduated from The University of Texas at San Antonio in 1978 with a bachelor's degree in Political Science and in 1980 with a master's degree in Business Administration.*

### **References**

*Ray Ives  
Chief Financial Officer  
Bromley Communications  
ray.ives@bromley.biz*

*Jessica Pantanini  
Chief Operations Officer  
Bromley Communications  
jessica.pantanini@bromley.biz*



“ Even a CFO is excited to work on the Lottery.”

## **BROMLEY** Ray Ives CFO, Bromley

*Ray is the Chief Financial Officer of Bromley.*

### **Experience**

*Ray has spent his entire career in the advertising industry. He started out focused on client accounting but has added additional responsibilities along the way. In order to round out his talents, Ray was relocated from DMB&B's L.A. office to their corporate headquarters in New York. There he worked with the different Divisional Presidents on the financial reporting for their regions.*

*Determining that his passion was in local agency operations and also seeing a tremendous opportunity in the growing Hispanic market, Ray relocated to Bromley as the Financial Manager and was later appointed Chief Financial Officer.*

### **Work History**

<i>Bromley</i>	<i>April 1995–Present</i>
<i>DMB&amp;B NY (Corporate)</i>	<i>April 1993–April 1995</i>
<i>DMB&amp;B Los Angeles</i>	<i>July 1988–April 1993</i>

### **Education**

*Ray graduated from the University of Southern California in 1998 with a bachelor's degree in Business Administration.*

### **References**

*Barry Cowan  
Partner  
Fulbright & Jaworski – Dallas  
bcowan@fulbright.com*

*Sherry Ulsh  
Director, Global Marketing Finance  
and Procurement  
Burger King  
sulsh@whopper.com*



“There is no greater joy than watching the excitement on the faces of friends and family as they play the Texas Lottery. I want to be part of spreading that joy!”

## **BROMLEY** Jessica Pantanini COO, Bromley

*As COO for Bromley Communications, Jessica oversees the operations of one of the largest Hispanic agencies in the country. But if you ask her, she'll tell you that everyone in the organization is her boss. Why? Because Jessica facilitates happiness. She sees her role as ensuring that both employees and clients are completely happy, always.*

### **Experience**

*With a background in media planning and buying, Jessica has a unique perspective on advertising and believes that a powerful big idea can be brought to life creatively across every discipline. She has led the media department and many of the agency's key clients from Burger King and San Antonio Convention and Visitors Bureau to P&G.*

*After 20 years with the agency, Jessica will say that she can't remember life before Bromley. However, she spent time both on the buying and sales sides of media. Notably, she started her career at one of the first media buying companies, Western International Media (now known as Initiative).*

### **Work History**

<i>Bromley Communications</i>	<i>June 1991–Present</i>
<i>KGGI/KMEN</i>	<i>1990–1991</i>
<i>Western International Media</i>	<i>1988–1990</i>

### **Education**

*Jessica earned a liberal arts degree from Long Beach City College and went on to study Radio, TV/Film at California State University, Northridge.*

### **References**

<i>Jackie Hernandez</i>	<i>Rodolfo Rodriguez</i>
<i>COO, Telemundo</i>	<i>Director Multicultural Marketing</i>
<i><a href="mailto:jacqueline.hernandez@nbcuni.com">jacqueline.hernandez@nbcuni.com</a></i>	<i>General Mills</i>
	<i><a href="mailto:rodolfo.rodriguez@genmills.com">rodolfo.rodriguez@genmills.com</a></i>



“I feel that the Texas Lottery combines the fast pace of retail with an exciting product. Plus, I’m feeling lucky.”

## **BROMLEY** Ron Landreth VP, Creative Director, Bromley

*Ron’s main objective is to uphold the agency’s creative standards of excellence across Bromley’s diverse client roster – striving to create flawlessly executed work that provokes that “ah-hah” moment with the audience.*

### **Experience**

*Ron takes great pride in his role as VP, Creative Director at Bromley Communications. One aspect he enjoys is creating insight-driven as well as product-focused work that moves consumers and drives sales. His work includes developing campaigns for Burger King that focused on the Whopper line, Value Menu and new product launches – which culminated in a national gold ADDY award.*

*Currently, Ron oversees and develops work for the bicultural Coors Light drinker and the multiple targets of General Mills. His many clients include Susan G. Komen for the Cure, Western Union, Circuit City and the San Antonio Convention & Visitors Bureau.*

### **Work History**

<i>Bromley Communications</i>	<i>1994–Present</i>
<i>Users Sierra Group</i>	<i>1990–1994</i>

### **Education**

*Ron earned his BFA degree from The University of Texas in 1989.*

### **References**

<i>Andy England</i>	<i>Alpesh Patel</i>
<i>Chief Marketing Officer</i>	<i>Senior Director – Multicultural</i>
<i>MillerCoors</i>	<i>MillerCoors</i>
<i>andy.England@millercoors.com</i>	<i>alpesh.patel@millercoors.com</i>



“After working on the Texas Lottery account for over nine years, I’m looking forward to reconnecting with the account and applying fresh insights with the team at TM Advertising.”



## Shirley Ward CEO, The Ward Group

*Shirley is a brilliant strategist who is as comfortable rolling up her sleeves to get things done as she is developing long-term strategic vision.*

### Experience

*Shirley's career in advertising spans more than 40 years and has led her to work in sales and marketing, media buying and planning, public relations, media research and media management. She founded The Ward Group in 1985, where she has worked with clients such as Foley's, Associated Milk Producers, Whataburger, CiCi's Pizza, Rent-A-Center, Golden Corral, Popeyes Chicken & Biscuits, Little Caesar's Pizza and numerous others. Her expertise crosses over all disciplines of media buying and planning as she brings a wealth of hands-on knowledge to each account. Shirley's reputation for excellence has won her local and national recognition, including the AWRT Silver Award of Excellence for lifetime achievement and the national AWRT STAR award.*

*Shirley's experience in media, including general and ethnic market initiatives, makes her highly capable of pushing the envelope and developing and directing innovative media plans and buys. She has been responsible for driving media results through annual media strategy, new product launches, advertising, media buying, promotions, sponsorships, events, trade shows and viral marketing.*

### Work History

<i>The Ward Group</i>	<i>1985–present</i>
<i>The Arbitron Company</i>	<i>1983–1985</i>
<i>J. Walter Thompson</i>	<i>1982–1983</i>
<i>Bozell &amp; Jacobs</i>	<i>1980–1981</i>
<i>Lake-Spiro-Shurman</i>	<i>1977–1979</i>
<i>William B. Tanner</i>	<i>1974–1977</i>
<i>Admarc Advertising</i>	<i>1972–1974</i>

### Education

*Shirley attended the University of Memphis' business program.*

### References

<i>Beverly Ingraham</i>	<i>Eric Sorenson</i>
<i>Marketing Manager (former)</i>	<i>DFW Co-Op President</i>
<i>Foley's Department Stores</i>	<i>Little Caesars Pizza</i>
<i>bev2403@aol.com</i>	<i>eric@lcdfw.com</i>

**6.1.2** *Proposers must provide an organizational chart which identifies all staff who will support the Texas Lottery account. The organizational chart should include the position titles, number of positions, and where applicable names of personnel (e.g., key management staff). The organizational chart should include corporate directors and/or officers who will provide direction or oversight to the Texas Lottery account.*

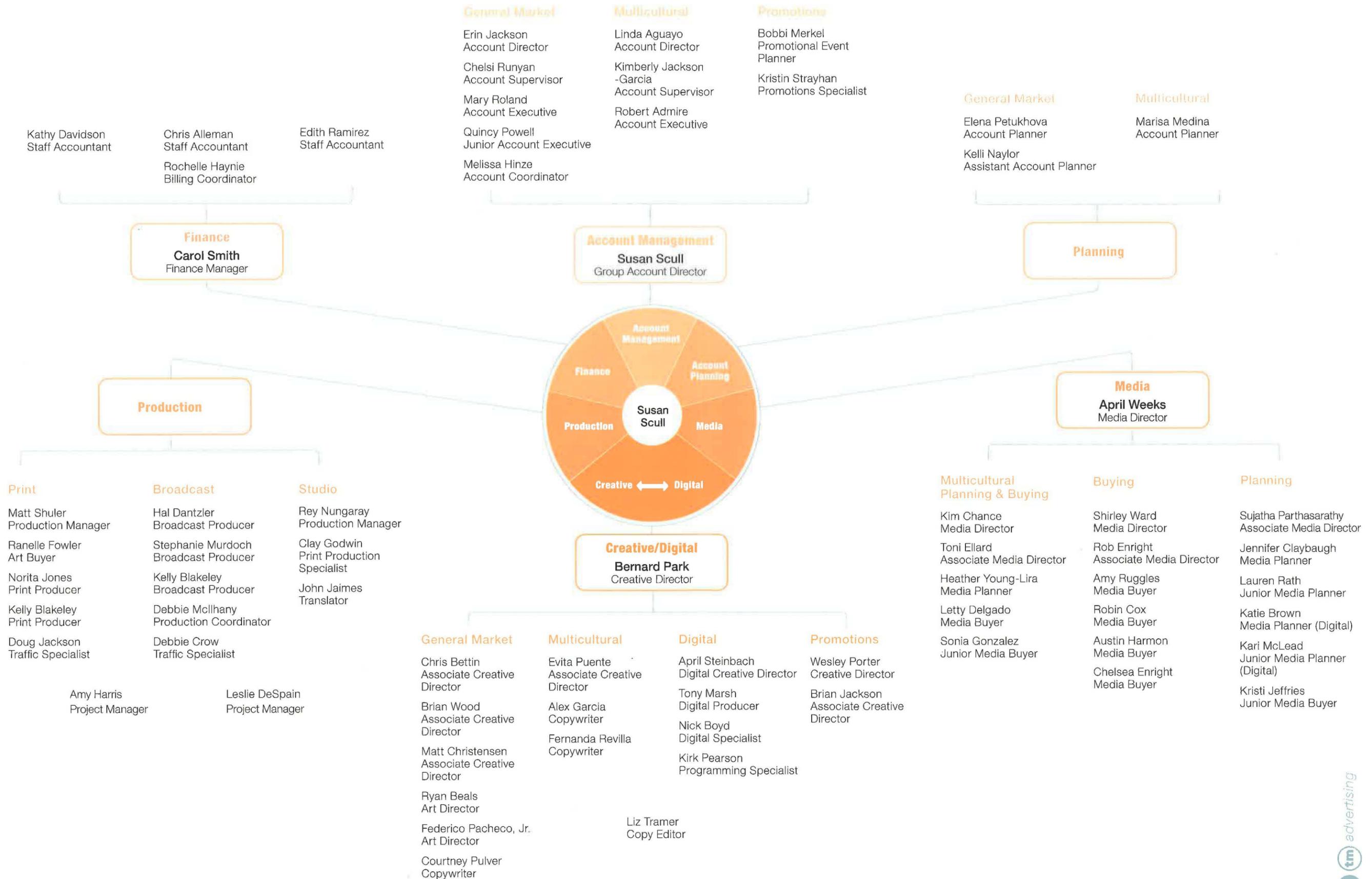
Following is an organizational chart that indicates lines of authority and the names and titles of the individuals assigned to the Texas Lottery account. The organizational chart also includes the agency management team who will provide direction and oversight to the Texas Lottery account. In many instances, there are several team members who will perform the same job function. The reason for that is threefold. First, many team members have a specific expertise that they will bring to bear for the Lottery and we want to provide that expertise so that programs are developed and executed to the highest standard. Those areas of expertise are noted on the chart. Second, due to the fast-paced, retail nature of the account, it will likely be necessary for us to tap into multiple creative and/or production teams so that one team can be producing a campaign while another is concepting for the next game launch/campaign. Third, every department has at least one multicultural specialist embedded in that group so that every program is developed and executed with equal discipline across audience-specific tactics.





OPEN

# **Organizational Chart of Texas Lottery Team**





## 6.2 Agency Staff Structure

**6.2.1** *Proposers must submit an in-depth staffing plan, by department, for the Texas Lottery account. However, the Texas Lottery is not predisposed to any particular staffing model. Proposers are encouraged to propose staffing plans that offer the best value to the Texas Lottery, both in terms of account service and adequate staffing. If a different individual will not be assigned to each position, the Proposer must explain how service levels will be maintained and staffing needs met. This section identifies the staffing model that has been previously used for the Texas Lottery account.*

Please find listed below the staffing plan for the Texas Lottery. These individuals were chosen for their collective experience in developing marketing initiatives in the retail and government industries and across a diverse consumer audience. This team also contains the right balance of senior talent who will provide critical, strategic thinking and conscientious managers who are responsible for flawless execution – giving the Texas Lottery the best minds and hands at the best value.

You will also see that we have staffed with subject-matter experts in a variety of disciplines so that work is planned and executed to best-in-class standards while expending a minimal number of hours. For example, a multicultural specialist will have a general market specialist counterpart so that all Texas audiences are effectively considered and accounted for in every strategy, tactic and executional detail. These specialists are identified in the staff plan with their specialty listed in parentheses after their title.

Please note that in one instance, we have assigned the same individual to two positions. Kelly Blakeley with Bromley will serve the role of multicultural specialist for both broadcast and print producer. Kelly will advise, consult and support the TM broadcast and print producers to ensure multicultural elements are executed in alignment with the multicultural creative. Our intent is to shadow produce elements whenever possible to maximize production budgets – with heavy lifting of production coordination and management handled by Kelly's TM counterpart.

Following is the specific staffing plan, by department, for the Texas Lottery account.

### Account Management

Group Account Director	Susan Scull
Account Director (multicultural specialist)	Linda Aguayo
Account Director	Erin Jackson
Account Supervisor	Chelsi Runyan
Account Supervisor (multicultural specialist)	Kimberly Jackson-Garcia
Account Executive	Mary Roland
Account Executive (multicultural specialist)	Robert Admire
Junior Account Executive	Quincy Powell
Account Coordinator	Melissa Hinze

### Account Planning

Account Planner	Elena Petukhova
Account Planner (multicultural specialist)	Marisa Medina
Assistant Account Planner	Kelli Naylor

## Media (Planning)

Media Director  
Media Director (multicultural specialist)  
Associate Media Director  
Associate Media Director (multicultural specialist)  
Media Planner (broadcast/print specialist)  
Media Planner (digital specialist)  
Media Planner (multicultural specialist)  
Junior Media Planner  
Junior Media Planner (digital specialist)

April Weeks  
Kim Chance  
Sujatha Parthasarathy  
Toni Ellard  
Jennifer Claybaugh  
Katie Brown  
Heather Young-Lira  
Lauren Rath  
Kari McLead

## Media (Buying)

Media Director (buying)  
Associate Media Director (buying)  
Media Buyer (multicultural specialist)  
Media Buyer  
Media Buyer  
Media Buyer  
Media Buyer  
Junior Media Buyer (multicultural specialist)  
Junior Media Buyer

Shirley Ward  
Rob Enright  
Letty Delgado  
Amy Ruggles  
Robin Cox  
Austin Harmon  
Chelsea Enright  
Sonia Gonzalez  
Kristi Jeffries

## Creative

Creative Director  
Associate Creative Director  
Associate Creative Director  
Associate Creative Director  
Associate Creative Director (multicultural specialist)  
Art Director  
Art Director  
Copywriter  
Copywriter (multicultural specialist)  
Copywriter (multicultural specialist)  
Copy Editor

Bernard Park  
Chris Bettin  
Brian Wood  
Matt Christensen  
Evita Puente  
Ryan Beals  
Federico Pacheco, Jr.  
Courtney Pulver  
Alex Garcia  
Fernanda Revilla  
Liz Tramer

## Digital

Digital Creative Director  
Digital Producer  
Digital Specialist  
Programming Specialist

April Steinbach  
Tony Marsh  
Nick Boyd  
Kirk Pearson

## Production

Production Manager  
Production Manager  
Production Coordinator  
Broadcast Producer  
Broadcast Producer

Rey Nungaray  
Matt Shuler  
Debbie McIlhany  
Hal Dantzer  
Stephanie Murdoch

Broadcast Producer (multicultural specialist)	Kelly Blakeley
Print Producer	Norita Jones
Print Producer (multicultural specialist)	Kelly Blakeley
Print Production Specialist	Clay Godwin
Art Buyer	Ranelle Fowler
Traffic Specialist (print)	Doug Jackson
Traffic Specialist (broadcast)	Debbie Crow
Project Manager	Amy Harris
Project Manager (multicultural specialist)	Leslie DeSpain
Translator (multicultural specialist)	Jon Jaimes

### **Promotions**

Promotional Event Planner	Bobbi Merkel
Promotions Specialist	Kristin Strayhan
Creative Director (promotions specialist)	Wesley Porter
Associate Creative Director (promotions specialist)	Brian Jackson

### **Finance**

Finance Manager	Carol Smith
Staff Accountant	Chris Alleman
Staff Accountant (media specialist)	Kathy Davidson
Staff Accountant (multicultural specialist)	Edith Ramirez
Billing Coordinator	Rochelle Haynie

### **TM Management Team**

TM and our partner agencies are led by a group of seasoned marketing veterans who dedicate their time to leading various functional areas within the agency, as well as providing consultation to all our clients' businesses. At TM, we are proud of the fact that we operate in a relatively flat organization, so that all our clients benefit from the added-value involvement and oversight of this management team. But most important, it's out of true love of this business and desire for our clients' success that drives our management team to stay intimately involved in your business.

CEO, TM Advertising	Becca Weigman
Chief Creative Officer, TM Advertising	Bill Oakley
COO/CFO, TM Advertising	Byron Nelson
CEO, Bromley	Ernest Bromley
CFO, Bromley	Ray Ives
COO, Bromley	Jessica Pantanini
VP, Creative Director, Bromley	Ron Landreth
CEO, The Ward Group	Shirley Ward

### **Lottery Retail Advisory Board**

In addition to an experienced, effective and dedicated Lottery account team, the Texas Lottery Commission will benefit from the consultative efforts of our Retail Advisory Board. Consultation sessions with this team will be provided twice a year to

the Lottery as an added-value, no-charge service. The Texas Lottery Retail Advisory Board will consist of the following retail marketing and shopper sciences experts.

President of Shopper Sciences, IPG Retail Lab	John Ross
Global Director of Shopper Sciences, IPG Retail Lab	Devora Rogers
CMO, Michaels Stores	Paula Puleo
Former CEO, 7-Eleven	Rita Bargerhuff
SVP of Client Service, TPN	Cathy Brown

The Retail Advisory Board will focus on issues and opportunities that are identified jointly by the agency Texas Lottery client and may include topics such as emerging retail trends, the changing retail landscape, channel relationship development, customer loyalty strategies, etc.

**6.2.2** *Account Management Staffing. Proposers shall identify the key personnel who will provide direction or oversight to the Texas Lottery account, at a minimum these include, the Account Director and Account Supervisor. The Proposer must demonstrate that these individuals have the background and experience required to coordinate the Proposer's activities for the Texas Lottery account, including special projects and activities. The Account Director should have a minimum of five (5) years account management experience, the Account Supervisor should have a minimum of three (3) years account management experience, and Account Executives should have one (1) year experience. Account Management staff may include the following:*

- Group Account Director
- Account Director
- Account Supervisor
- Account Executive
- Junior Account Executive
- Account Coordinator

We are not successful if our clients aren't successful. So we take pride in providing stellar account management and leadership for clients. We like to think of this department as the "glue that holds us all together." We build a customized account service team based on the specific scope of work for the client. One size does not fit all. So for the Texas Lottery we have identified a seasoned team with particular experience working for clients within the State of Texas and marketing to its diverse, minority-majority population.

This team is headed by Susan Scull who has more than 20 years' experience leading agency teams and partnering with clients to drive success across many challenging industries – including government, entertainment and retail. Her team also includes two very seasoned Account Directors – Linda Aguayo, our multicultural specialist, and Erin Jackson, her general market counterpart – who have a combined 27 years in the advertising industry managing the development of marketing strategies and plans and managing the day-to-day coordination of services. Two more key team members are Chelsi Runyan and Kimberly Jackson-Garcia who will serve as general market and multicultural account supervisors. Both Chelsi and Kimberly – through their experience with Texas Tourism and San Antonio CVB – bring a particular attention to detail, an organized working style and a fast-paced, dedicated work ethic that is critical for a complex, government account.

Additionally, we feel the strongest working relationships include a healthy amount of time spent working side by side with our clients. In order to do this, your account management team is committed and available to meeting with the Lottery at your headquarters to present and discuss work whenever needed. In fact, the Account Executive for the Lottery, Mary Roland, resides in our Austin office and is available at a moment's notice to meet personally with any team member of the Lottery.

The rest of the team that who provide direction and oversight to the Texas Lottery account is listed below, with their corresponding years of experience appearing after their name.

- Group Account Director
  - ✓ Susan Scull – 22 years experience
- Account Director
  - ✓ Erin Jackson – 12 years experience)
  - ✓ Linda Aguayo (multicultural specialist) -15 years experience
- Account Supervisor
  - ✓ Chelsi Runyan – 7 years experience
  - ✓ Kimberly Jackson-Garcia (multicultural specialist) – 10 years experience
- Account Executive
  - ✓ Mary Roland – 2 years experience
  - ✓ Robert Admire (multicultural specialist) – 8 years experience
- Junior Account Executive
  - ✓ Quincy Powell – 2 months experience
- Account Coordinator
  - ✓ Melissa Hinze – 17 years experience

**6.2.3** *Account Planning. Each Proposer must describe the staffing levels and functions of its account planning department, and identify the personnel, including the length of experience for each, who will be assigned to account planning for the Texas Lottery account. The Account Planner should have a minimum of three (3) years of relevant market research experience. Account Planning staff may include the following:*

- Account Planner
- Assistant Account Planner

Our Account Planning team is comprised of Executive Strategists, Senior Planners and Junior Planners with a Senior Planner serving as the strategic lead in the agency for a particular client. They serve both a research and strategic planning function with the agency and have the innate ability to get to the “heart” of the marketing challenge and define the most effective strategies for success. By conducting and analyzing data from proprietary and secondary research resources, they immerse themselves in categories, consumers and brands to identify the optimal marketing strategy that will fulfill business objectives. They are the cultivators and keepers of the Beautiful Truth. They specialize in uncovering the most powerful connections between brands and their consumers and articulating that intersection in a manner will motivate the audience to action, inspire great work and drive even greater results. And last, but not least, they act as the key partner – to all agency departments and our clients – to keep ideas and initiatives aligned with the brand’s true north.

We have identified two very smart and talented Account Planners that will drive all research and strategy for the Texas Lottery. Marisa Medina will be the multicultural planner on the account and her general market counterpart will be Elena Petukhova.

- Account Planner
  - ✓ Elena Petukhova – 7 years experience
  - ✓ Marisa Medina (multicultural specialist) – 13 years experience
- Assistant Account Planner
  - ✓ Kelli Naylor – 1 year experience

**6.2.4** *Media Staffing. Each Proposer must describe the staffing levels and functions of its media department, and identify the personnel, including the length of experience for each, who will be assigned to media buying and planning for the Texas Lottery account. The Media Director should have a minimum of five (5) years of relevant media experience. Media staff may include the following:*

- *Media Director*
- *Associate Media Director*
- *Media Planner*
- *Junior Media Planner*
- *Media Buyer*
- *Junior Media Buyer*

We designed a unique team specifically for the Lottery with our partners at The Ward Group that gives you the best of both worlds – a fresh perspective from a media strategy and planning view from TM coupled with the eight-year heritage of experience and local relationships in the marketplace held by The Ward Group.

Our media team is comprised of 30 talented media professionals with a variety of experience in digital, social media and traditional media. There are many ways to approach the construction of a media mix and customer engagement plan. We know that understanding consumer behavior and how your best prospects use and interact with media, as well as understanding the synergy between creative and medium, is the foundation of a successful media strategy. Building awareness and motivating consumers to take action is most successfully achieved through developing a strategy that marries a creative idea with media consumption habits. Media effectiveness is more than reach and frequency of the message – it's also the consumer mind-set and contextual relevance of adjacent content that will yield the strongest message delivery and retention.

Most of our clients aren't the biggest spenders in the categories, but we're proud of the creativity and innovation in establishing a strong presence and relevancy among all consumer audiences while also maximizing our clients' budgets. And our optimization and analytics tools allow us to constantly monitor campaigns and optimize expenditures accordingly to marketplace impact.

Our media buying team has built strong, long-lasting working relationships with all media outlets and markets in the State of Texas, bringing the best value and stewardship to the media plan for the Texas Lottery. Our buyers have deep expertise in the following areas: network TV, cable TV, spot TV, national and local radio, out of home, cinema advertising, newspapers, consumer trade print, digital display, SEM, mobile and social.

For the Texas Lottery, we're proud of the collaborative approach in which our media teams work with every department in the agency to make sure our strategies and tactics are seamlessly aligned. And the individual's and their corresponding years of experience who will do this for the Texas Lottery are listed below.

- Media Director
  - ✓ April Weeks – 14 years experience
  - ✓ Kim Chance (multicultural specialist) – 30 years experience
- Associate Media Director
  - ✓ Sujatha Parthasarathy – 13 years experience
  - ✓ Toni Ellard (multicultural specialist) – 21 years experience
- Media Planner
  - ✓ Jennifer Claybaugh (broadcast/print specialist) – 7 years experience
  - ✓ Katie Brown (digital specialist) – 7 years experience
  - ✓ Heather Young-Lira (multicultural specialist) – 7 years experience

- Junior Media Planner
  - ✓ Lauren Rath (broadcast/print specialist) – 2 years experience
  - ✓ Kari McLead (digital specialist) – 2 years experience
- Media Buyer
  - ✓ Shirley Ward (Director of Buying) – 40 years experience
  - ✓ Rob Enright (Associate Director of Buying) – 19 years experience
  - ✓ Letty Delgado (multicultural specialist) – 11 years experience
  - ✓ Amy Ruggles – 13 years experience
  - ✓ Robin Cox – 15 years experience
  - ✓ Austin Harmon – 1 year experience
  - ✓ Chelsea Enright – 7 years experience
- Junior Media Buyer
  - ✓ Sonia Gonzalez (multicultural specialist) – 6 years experience
  - ✓ Kristi Jeffries – 22 years experience

**6.2.5** *Creative Staffing. Each Proposer must describe the staffing levels and functions of its creative department, and identify the personnel, including the length of experience for each, who will be assigned to the creative team for the Texas Lottery account. The Creative Director should have a minimum of five (5) years of relevant creative experience. Creative staff may include the following:*

- Creative Director
- Associate Creative Director
- Art Director
- Copywriter
- Copy Editor

Our creative department is dedicated to creating powerful ideas and communications that connect with people on an emotional level. At both TM and Bromley, we each have a full-service creative department consisting of copywriters, art directors and designers with in-depth experience across all media vehicles, including broadcast, digital, social, mobile, out-of-home, POP and many more. We have a breadth of passionate creative talent – from those with 30 years’ experience to the eager, passionate new talent starting out in their career – who all work relentlessly to cultivate ideas that uncover our clients’ Truths and create work that expresses them Beautifully. But maybe most important, we don’t just hire the best creative talent, we hire the best talent AND the best attitude. Because we don’t do creative for creative’s sake. Our creative team could be described as “honorary planners and account people” given their strong strategic orientation and their passion for delving into the nuances of consumers while delivering work that is respectful of client input. And they’re just plain pleasant to work with.

The very talented team that worked on TM’s response to this RFP and who would be assigned to your business are:

- Creative Director
  - ✓ Bernard Park – 19 years experience
- Associate Creative Director
  - ✓ Chris Bettin – 14 years experience
  - ✓ Brian Wood – 15 years experience
  - ✓ Matt Christensen – 15 years experience
  - ✓ Evita Puente (multicultural specialist) – 17 years experience
- Art Director
  - ✓ Ryan Beals – 7 years experience
  - ✓ Federico Pacheco, Jr. – 2 years experience

- Copywriter
  - ✓ Courtney Pulver – 3 years experience
  - ✓ Alex Garcia (multicultural specialist) – 9 years experience
  - ✓ Fernanda Revilla (multicultural specialist) – 2 years experience
- Copy Editor
  - ✓ Liz Tramer – 11 years experience

**6.2.6** *Digital Staffing. Each Proposer must describe the staffing levels and functions of its digital department, and identify the personnel, including the length of experience for each, who will be assigned to the digital team for the Texas Lottery account. The digital Creative Director should have a minimum of five (5) years of multimedia design experience. Digital staff may include the following:*

- Digital Creative Director
- Digital Producer
- Digital Specialist
- Programming Specialist

TM Advertising has more than 20 years' experience in Web-related services and as the Internet has fundamentally changed the world of marketing, we have also changed how we approach digital advertising. TM has dismantled the normal digital silo found in agencies by integrating the digital discipline into each department within our organization. We have rich experience at every digital touch point: Web design and development (frontend and backend), user experience, flash and rich media banner concept and development, asset creation, social and mobile initiatives. Our digital experts continue to work throughout the agency to ensure that the best practices and the latest trends are used for all of our clients. In fact, we provide Web-related services for nearly every client account.

The team that will provide digital leadership on the Texas Lottery account is listed below, with their corresponding years of experience appearing after their name.

- Digital Creative Director
  - ✓ April Steinbach – 17 years experience
- Digital Producer
  - ✓ Tony Marsh – 3 years experience
- Digital Specialist
  - ✓ Nick Boyd – 4 years experience
- Programming Specialist
  - ✓ Kirk Pearson – 12 years experience

**6.2.7** *Production Staffing. Each Proposer must describe the staffing levels and functions of its production department, and identify the personnel, including the length of experience for each, who will be assigned to the production team for the Texas Lottery account. Production staff may include the following:*

- Production Manager
- Production Coordinator
- Broadcast Producer
- Print Producer
- Print Production Specialist
- Art Buyer
- Traffic Specialist
- Project Manager
- Translator

At TM, print and broadcast production are an integral part of the creative process and vice versa. The quality of a production, be it television, radio, out-of-home or newspaper, can convey as much about a brand – positive or negative – as the intended message. And production details can mean the difference between a message that resonates with the target and one that is easily forgotten. And one that is delivered on time and one that is not. So we are as diligent in our thinking and creativity regarding production as we are in our strategies and our creative messages.

Our production department is staffed with seasoned pros who know the ins and outs of the business: the latest technologies, the top partners. Their expertise lies in an ability to assemble the foremost resources and surround the production process with talented individuals who make the most of every idea, no matter what the production budget is.

And because our clients are constantly challenged to do more with less, they need their agencies to respond faster, be more nimble and deliver more efficiently. So TM houses within its walls a graphic arts studio specializing in high-end digital production services. This team offers digital services that most other agencies can provide only by contracting outside suppliers. And they're accessible to our team and our partners 24/7.

The integrated team who will provide production services for the Texas Lottery account is listed below, with their corresponding years of experience appearing after their name.

- Production Manager
  - ✓ Rey Nungaray – 15 years experience
  - ✓ Matt Shuler – 16 years experience
- Production Coordinator
  - ✓ Debbie McIlhany – 16 years experience
- Broadcast Producer
  - ✓ Hal Dantzler – 22 years experience
  - ✓ Stephanie Murdoch – 18 years experience
  - ✓ Kelly Blakeley (multicultural specialist) – 12 years experience
- Print Producer
  - ✓ Norita Jones – 32 years experience
  - ✓ Kelly Blakeley (multicultural specialist) – 12 years experience
- Print Production Specialist
  - ✓ Clay Godwin – 25 years experience
- Art Buyer
  - ✓ Ranelle Fowler – 7 years experience
- Traffic Specialist
  - ✓ Doug Jackson (print) – 22 years experience
  - ✓ Debbie Crow (broadcast) – 17 years experience
- Project Manager
  - ✓ Amy Harris – 15 years experience
  - ✓ Leslie DeSpain (multicultural specialist) – 14 years experience
- Translator
  - ✓ Jon Jaimes – 5 years experience

**6.2.8** *Promotions Staffing. Each Proposer must describe the staffing levels and functions of its promotions department, and identify the personnel, including the length of experience for each, who will be assigned to the promotions team for the Texas Lottery account. The Promotional Event Planner should have a minimum of three (3) years of relevant promotional event experience. Promotions staff may include the following:*

- Promotional Event Planner
- Promotions Specialist

TM, in partnership with TPN, creates and implements promotions that drive consumer action at the retail and local level. Over the years, we've established a deep understanding of the psychology of shoppers – what motivates them, how they behave within the retail environment and what factors drive the decision to purchase. We apply this methodical approach to ideating and designing product promotions, co-op promotions, at-retail communications and event planning.

The coordination and execution of promotional events will be managed through our promotional event planner, supported by a promotions specialist. The ideation and creation of breakthrough retail and event promotions is delivered within a promotions-specific creative discipline. For the Texas Lottery account, our team will be augmented with two promotions creative specialists. Our promotions staff will include:

- Promotional Event Planner
  - ✓ Bobbi Merkel – 30 years experience
- Promotions Specialist
  - ✓ Kristin Strayhan – 16 years experience
- Promotions Creative Director
  - ✓ Wesley Porter – 15 years experience
- Promotions Associate Creative Director
  - ✓ Brian Jackson – 15 years experience

**6.2.9** *Finance Staff. Each Proposer must describe the staffing levels and functions of its finance department, and identify the personnel, including the length of experience for each, who will be assigned to the finance team for the Texas Lottery account. Finance staff may include the following:*

- Finance Manager
- Staff Accountant
- Billing Coordinator

We pride ourselves in our detailed and timely approach to financial management of your business. In order to do this, our finance department consists of finance managers supported by accounting managers that specialize in general accounts receivable and billable as well as the complex tracking and invoicing systems necessary to effectively manage complex media buys. Our finance team also works with the account management team to regularly audit agency resources to make sure you are always getting the best team for the best value.

The finance team that will provide services for the Texas Lottery account is listed below, with their corresponding years of experience appearing after their name.

- Finance Manager
  - ✓ Carol Smith – 37 years experience
- Staff Accountant
  - ✓ Chris Alleman – 15 years experience
  - ✓ Kathy Davidson (media specialist) – 22 years experience
  - ✓ Edith Ramirez (multicultural specialist) – 17 years experience

- Billing Coordinator
  - ✓ Rochelle Haynie – 14 years experience

## 6.3 Agency Staff Position Definitions

*Proposers shall indicate all staff that will fill the following positions. If the Proposer plans to subcontract for these services, hourly rates should be list in the cost proposal, Attachment H.*

TM has identified below the staff that will fill all the following positions for the Texas Lottery. In instances where we plan to subcontract a service, that subcontract relationship is noted after each staff member's name.

### 6.3.1 Account Management

**Group Account Director** – Serves as the brand steward on determining the client's strategic brand objectives by leading the client, reassessing the brand position, and managing the internal team resources to best service the overall client account. Responsible for a specific group of accounts and manages the client relationship.

Susan Scull – TM Advertising

**Account Director** – Ensures the timely development and execution of plans, campaigns, and projects to assure goals are achieved. Supervises the development of the advertising activities in accordance with client's objectives and budget limitations. Provides direct supervision of all account service staff.

Erin Jackson – TM Advertising

Linda Aguayo (multicultural specialist) – subcontracted through Bromley

**Account Supervisor** – Initiates planning that will lead to execution of advertising activities for clients. Consults with creative, media, production and account planning to be certain client objectives are clearly understood and then to develop alternative strategic solutions. Supervises Account Executives in their direct responsibility for the development of approved plans and analysis.

Chelsi Runyan – TM Advertising

Kimberly Jackson-Garcia (multicultural specialist) – subcontracted through Bromley

**Account Executive** – Manages projects from start to finish and develops a strong working rapport with day-to-day client contacts. The Account Executive is the liaison between the client and the creative team to ensure the client's needs and goals are being met on every project.

Mary Roland – TM Advertising

Robert Admire (multicultural specialist) – subcontracted through Bromley

**Junior Account Executive** – Provides support to the account services team to ensure projects are on strategy, meet deadlines and are within budget.

Quincy Powell – TM Advertising

**Account Coordinator** – Responsible for supporting client-related and administrative activities of the account service teams.

Melissa Hinze – TM Advertising

### 6.3.2 Account Planning

**Account Planner** – Brings research and other information and input to bear on accounts in order to bring a greater degree of consumer insight to advertising.

Elena Petukhova – TM Advertising

Marisa Medina (multicultural specialist) – subcontracted through Bromley

**Assistant Account Planner** – Responsible for drafting, prep work and executing elements of the account planning process under the guidance and direction of an account planner.

Kelli Naylor – TM Advertising

### 6.3.3 Media

**Media Director** – Oversees management of all media strategies, planning and buying. Presents media plans, as needed, including objectives, strategic research and demographic analysis. Supervises the development and execution of media plans.

April Weeks – TM Advertising

Kim Chance (multicultural specialist) – subcontracted through Bromley

**Associate Media Director** – Responsible for all media activities including developing the media plan and selecting media to achieve sales objectives within a predetermined budget. Supervises planners and buyers and has client contact.

Sujatha Parthasarathy – TM Advertising

Toni Ellard (multicultural specialist) – subcontracted through Bromley

**Media Planner** – Implements the process and assists with the management of the strategic and tactical execution of all media products. Evaluates composition of a wide range of media vehicles to determine which would most effectively reach the target audience.

Jennifer Claybaugh (broadcast/print specialist) – TM Advertising

Katie Brown (digital specialist) – TM Advertising

Heather Young-Lira (multicultural specialist) – subcontracted through Bromley

**Junior Media Planner** – Responsible for drafting media recommendations and plans; gathering statistics, studying demographic data and consumer profiles. May also track and analyze advertising expenditures.

Lauren Rath – TM Advertising

Kari McLead (digital specialist) – TM Advertising

**Media Buyer** – Negotiates with media sales representatives to buy and place advertising for clients, calculates rates and budgets, and ensures that ads appear as specified. Also responsible for negotiating added value opportunities.

Letty Delgado (multicultural specialist) – subcontracted through Bromley

Shirley Ward – subcontracted through The Ward Group

Rob Enright – subcontracted through The Ward Group

Amy Ruggles – subcontracted through The Ward Group

Robin Cox – subcontracted through The Ward Group

Austin Harmon – subcontracted through The Ward Group

Chelsea Enright – subcontracted through The Ward Group

**Junior Media Buyer** – Assists the Media Buyer with negotiating media, entering rates and makegoods and following up on invoice discrepancies.

Sonia Gonzalez (multicultural specialist) – subcontracted through Bromley

Kristi Jeffries – TM Advertising

### 6.3.4 Creative

**Creative Director** – Oversees all creative projects and staff, and is responsible for the overall quality of work produced by the creative department. Manages creative projects from concept to completion and translates marketing objectives into creative strategies. Leads and directs the creative team in the production of advertising and marketing collateral.

Bernard Park – TM Advertising

**Associate Creative Director** – Responsible for the preparation of advertising and marketing concepts, and the production of collateral materials. Establishes and maintains high internal quality by originating creative ideas, managing project time lines, adhering to creative briefs and ensuring consistency of strategic branding.

Chris Bettin – TM Advertising

Brian Wood – TM Advertising

Matt Christensen – TM Advertising

Evita Puente (multicultural specialist) – subcontracted through Bromley

**Art Director** – Develops advertising creative concepts in partnership with Copywriters. Possess solid understanding of the market dynamics of assigned product(s).

Ryan Beals – TM Advertising

Federico Pacheco, Jr. – TM Advertising

**Copywriter** – Responsible for original conceptions, clear, concise and convincing writing for grammatical and material accuracy. Conceives and executes advertising consistent with the agreed strategy.

Courtney Pulver – TM Advertising

Alex Garcia (multicultural specialist) – subcontracted through Bromley

Fernanda Revilla (multicultural specialist) – subcontracted through Bromley

**Copy Editor** – Prepares written material for media by reviewing copy and verifying facts. Rewrites or modifies copy to clarify meaning and to conform to client's style guidelines and policy. May also create headlines or captions. Confers with copywriter/author regarding text changes, and marks copy for typesetter using standardized code.

Liz Tramer – TM Advertising

## 6.3.5 Digital

**Digital Creative Director** – Oversees all digital creative projects and staff, and is responsible for the overall quality of work produced by the digital team including websites, Internet-based ads, social media applications, viral marketing components, branded games, animated/video displays, mobile marketing, etc. Manages digital creative projects from concept to completion and translates marketing objectives into creative strategies. Leads and directs the digital creative team in the production of advertising and marketing initiatives in the digital space.

April Steinbach – TM Advertising

**Digital Producer** – Responsible for managing digital media projects from strategic development to tactical execution. Ensures timely delivery of projects within budget. May include programming background and oversight.

Tony Marsh – TM Advertising

**Digital Specialist** – Assists Digital Producer in executing digital media projects. May include assistance with project schedules, budgets etc. May include programming background.

Nick Boyd – TM Advertising

**Programming Specialist** – Provides programming support to execute against marketing goals including the development of microsites, mobile applications, games, etc.

Kirk Pearson – TM Advertising

### 6.3.6 Production

**Production Manager** – Manages production of a variety of projects. Duties include project planning, workflow management, vendor negotiations, cost control, quality control, logistical coordination and press checks.

Rey Nungaray – TM Advertising

Matt Shuler – TM Advertising

**Production Coordinator** – Provides logistical support to production department. Duties may include tracking and scheduling projects, filing summary reports, archiving and preflight formatting of collateral and invoice management.

Debbie McIlhany – TM Advertising

**Broadcast Producer** – Provides logistical support to the broadcast production department. Duties may include tracking and scheduling projects, filing summary reports, archiving and pre-flight formatting of collateral and invoice management.

Hal Dantzler – TM Advertising

Stephanie Murdoch – TM Advertising

Kelly Blakeley (multicultural specialist) – subcontracted through Bromley

**Print Producer** – Manages and oversees logistics of printed marketing materials including point-of-sale, out-of-home, signage etc. Responsible for developing effective and efficient print solutions while controlling cost and ensuring quality control.

Norita Jones – TM Advertising

Kelly Blakeley (multicultural specialist) – subcontracted through Bromley

**Print Production Specialist** – Assists design teams in graphic production for collateral, packaging, display and advertising projects.

Clay Godwin – TM Advertising

**Art Buyer** – Experienced in art buying, stock photo buying, photo shoot production, budget negotiation and a thorough knowledge of print advertising. Coordinates, selects, and recommends talent portfolios. Maintains awareness of visual trends in the graphic arts field. Negotiates and produces written model and property releases.

Ranelle Fowler – TM Advertising

**Traffic Specialist** – Coordinates scheduling, processing and trafficking of advertising and other creative projects. Serves as a liaison between outside vendors and agency departments to coordinate efficient and timely creative project processing. Responsible for creating project schedules and job estimates, maintaining records of action and work flow on projects, and routing projects for approval.

Doug Jackson (print) – TM Advertising

Debbie Crow (broadcast) – subcontracted through The Ward Group

**Project Manager** – Oversees the project from inception to completion, including creation of project schedule, managing resources for deliverables and ensuring adherence to the approval process.

Amy Harris – TM Advertising

Leslie DeSpain (multicultural specialist) – subcontracted through Bromley

**Translator** – Provides linguistic services including translation in multiple languages, terminology creation and management, editing, proofreading, studio linguistic advising and post-processing (for recordings), and cultural review.

Jon Jaimes – subcontracted through Bromley

### 6.3.7 Promotions

**Promotional Event Planner** – Creates and coordinates activities related to the development, execution and evaluation of events and sponsorships. Duties may include identifying event locations;

*developing budgets; negotiating sponsorships and events; acquiring event permits; securing emcees and/or ambassadors, and promotional giveaways; overseeing set up and tear down of event location; ensuring availability of proper equipment and supplies; and coordinating activities.*

The coordination and execution of promotional events will be managed through our promotional event planner.

Bobbi Merkel – subcontracted through TPN

The ideation and creation of breakthrough retail and event promotions is delivered within a promotions-specific creative discipline. For the Texas Lottery account, our team will be augmented with two promotions creative specialists:

Wesley Porter (Creative Director) – subcontracted through TPN

Brian Jackson (Associate Creative Director) – subcontracted through TPN

***Promotions Specialist** – Ensures successful promotional events and sponsorships. Assists with coordinating the activities related to the development execution and evaluation of events and sponsorships. May assist in on-site management of events and sponsorships.*

Kristin Strayhan – subcontracted through TPN

### 6.3.8 Finance

***Finance Manager** – Responsible for accurate recording of all account transactions and the preparation of all financial reports. Maintains adequate controls of receipts and disbursements.*

Carol Smith – TM Advertising

***Staff Accountant** – Oversees all billings and accounting functions on the account.*

Chris Alleman – TM Advertising

Kathy Davidson (media specialist) – subcontracted through The Ward Group

Edith Ramirez (multicultural specialist) – subcontracted through Bromley

***Billing Coordinator** – Collects, assembles and processes invoices, estimates and overall accounting documentation.*

Rochelle Haynie – TM Advertising

## 6.4 Agency Staff Position Changes

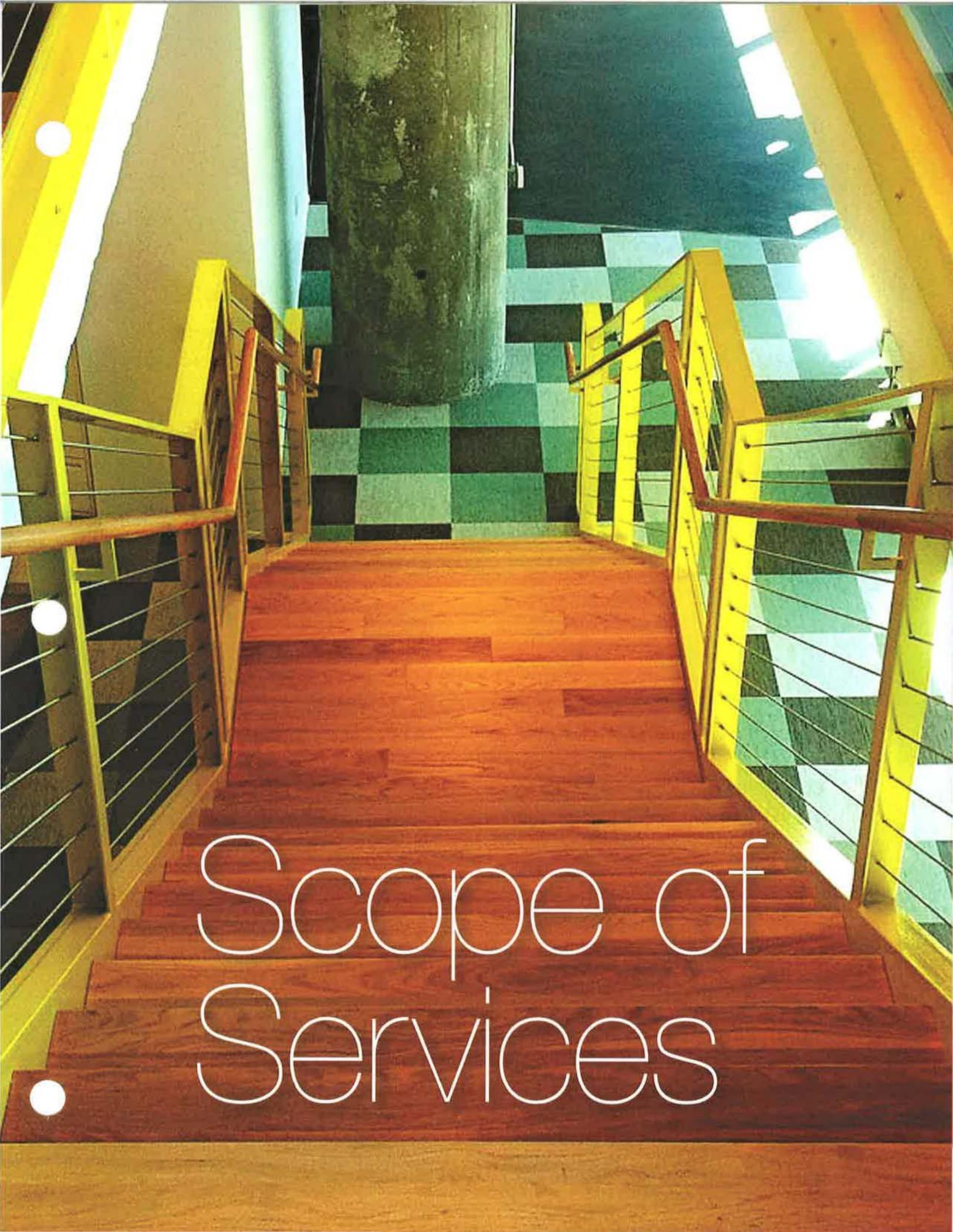
**6.4.1** *The Successful Proposer shall commit to providing the same Account Director and Supervisor for all Texas Lottery projects. If the Account Director or Supervisor, respectively, is re-assigned or no longer assigned to the Texas Lottery account, the Successful Proposer shall fill the vacant position with an individual who has comparable or better experience and training. That replacement shall be made subject to the Texas Lottery's written approval.*

TM Advertising has read, understands and will comply with this requirement.

**6.4.2** *As required under RFP section 3.13.2 (Lottery Approval of Staffing), the Successful Proposer shall provide the Texas Lottery written notification and justification of any personnel changes involving employees or any Subcontractors involved in the service of the Texas Lottery account within three (3) Working Days of the personnel changes. The Successful Proposer must send the Texas Lottery the résumé of the person who is to be hired or placed, and the Successful Proposer must receive written approval from the Texas Lottery prior to the person working on the account.*

TM Advertising has read, understands and will comply with this requirement.



A photograph of a modern staircase with wooden steps and railings. The staircase is viewed from a low angle, looking up. The railings are made of wood and metal. The background features a checkered floor in shades of green and black, and a large, textured concrete pillar. The lighting is warm and focused on the staircase.

# Scope of Services



## 7. Scope of Services

### 7.1 General Description of Services and Requirements

**7.1.1** *The Successful Proposer must be able to perform the functions of a full-service advertising agency, including, but not limited to, branding, creative concepting, production, planning, buying and placement of broadcast, print, digital and out-of-home advertising, translation services, and event planning and execution. The Successful Proposer shall exhibit a thorough understanding of Texas as a minority-majority state and must demonstrate the ability to effectively reach and speak to the general and ethnic markets. The Successful Proposer must also exhibit strong digital advertising expertise including social and mobile media.*

TM Advertising is a full-service agency, with experience and capabilities that span the full gamut of advertising services including, but not limited to, branding, strategic planning, research, creative development, media planning and buying, broadcast production, print production, Web design, digital development, social marketing and mobile marketing, as well as translation services and event planning.

#### Account Management

TM is not successful if our clients aren't successful. Our best work is always rooted in client/agency collaboration. No question about that. So we take pride in providing stellar account management and leadership for clients. We like to think of this department as the "glue that holds us all together." We build a customized account management team based on the specific scope of work for the client. One size does not fit all.

We truly believe that a powerful team collaborating with a visionary client leads to great things. We enjoy nothing more than getting down in the trenches with our clients. We are strategic business partners who work with our clients on a daily basis to find solutions to their toughest challenges. Our client's business becomes our business. These are your business counterparts – seasoned professionals who will drive the business forward internally and align the right resources for your scope of work.

We feel clients pay agencies to build their business – and the greatest successes are born from a strong working partnership between agency and client. Our team is an extension of our clients' marketing teams, not just a vendor to them. With a seat at the table and your marketing problems embraced as our own, we're able to build insightful strategies and communications that have maximum impact in the marketplace.

#### Market Research and Planning

Our account planning team has the innate ability to get to the "heart" of the marketing challenge and define the most effective strategies for success. By conducting and analyzing data from proprietary and secondary resources, they immerse themselves in categories, consumers and brands to identify the optimal marketing strategy that will fulfill business objectives. They are the cultivators and keepers of the Beautiful Truth. They specialize in uncovering the most powerful connections between brands and their consumers and articulating that intersection in a manner that will motivate the audience to action, inspire great work and drive even greater results. And last, but not least, they act as the key partner – to all agency departments and our clients – to keep ideas and initiatives aligned with the brand's true north.

## **Creative**

Our creative department is dedicated to creating powerful ideas and communications that connect with people on an emotional level. At TM, we have a full-service creative department consisting of creative teams who are experts in developing ideas across all communications platforms: print, broadcast, digital, social, mobile and more. We have a breadth of passionate creative talent who work relentlessly to cultivate ideas that uncover our clients' Truths and create work that expresses them Beautifully. All with the sensitivities and nuances of diverse audiences in mind.

We don't do creative for creative's sake. Our creative leadership could be described as "honorary planners" given their strong strategic orientation and their passion for delving into the nuances of the customer mind-set. As such, our creative teams work hand in hand to inform the strategy with an eye toward the end product – resulting in a unique blend of creative craftsmanship and accountability that is proven to lead to beautiful, business-moving results.

## **Digital**

TM Advertising has more than 20 years' experience in Web-related services, and as the Internet has fundamentally changed the world of marketing, we have also changed how we approach digital advertising. TM has dismantled the normal digital silo found in agencies by integrating the digital discipline into each department within our organization. We have rich experience at every digital touch point: Web design and development (front-end and back-end), user experience, flash and rich media banner concept and development, asset creation, social and mobile strategy, and concept and development. Not to mention digital media strategy, planning and buying. Our digital experts continue to work throughout the agency to ensure that the best practices and the latest trends are used for all of our clients. In fact, we provide Web-related services for nearly every client account.

## **Broadcast Production**

At TM, broadcast production is an integral part of the creative process and vice versa. The quality of a production, be it television or radio, can convey as much about a brand – positive or negative – as the intended message. And production details can mean the difference between a message that resonates with all audiences and one that is easily forgotten – all with a heightened sensitivity to budget. So we are as diligent in our thinking and creativity regarding production as we are in our strategies and our creative conceiving.

Our broadcast production department is staffed with seasoned pros who know the ins and outs of the business: the latest technologies, the top partners. Their expertise lies in an ability to assemble the foremost creative resources and surround the production process with talented individuals who make the most of every idea, no matter what the production budget is.

Most of our current clients require immediate turnaround on timing, and in these economic times, clients need their agencies to respond faster, be more nimble and deliver more efficiently. So TM's producers, each with more than 15 years' experience in agency production, take advantage of time-saving tools such as online casting, digital patch recording, Web-based approvals and on-site audio capabilities when appropriate. Having in-house expertise in video production, broadcast business management, talent and residual affairs, and broadcast traffic results in an efficient production process, saving both time and resources.

## Studio

Within our service offering for the Texas Lottery, we have included Custom Production Services (CPS), a graphic arts subsidiary of TM, specializing in high-end digital production services. CPS allows TM to offer digital services that most other agencies can provide only by contracting outside suppliers. CPS lives within the walls of our agency and is accessible to our team and our partners 24/7. Areas of specialty include: layout and mechanical services, digital imaging and retouching services, preparation and delivery of final materials, digital delivery capabilities, and technology and database services.

## Media Planning and Buying

The TM media team is comprised of 30 talented media professionals with a variety of experience in digital, social media and traditional media. There are many ways to approach the construction of a media mix and customer engagement plan. We know that understanding consumer behavior and how your best prospects use and interact with media, as well as understanding the synergy between creative and medium, is the foundation of a successful media strategy. TM has found that building awareness and motivating consumers to take action is most successfully achieved through developing a strategy that marries a creative idea with media consumption habits. Media effectiveness is more than reach and frequency of the message – it's also the consumer mind-set and contextual relevance of adjacent content that will yield the strongest message delivery and retention.

Most of our clients aren't the biggest spenders in their categories, but we're proud of the creativity and innovation in establishing a strong presence and relevancy among the desired target markets, while also maximizing our clients' budgets. And our optimization and analytics tools allow us to constantly monitor campaigns and optimize expenditures accordingly to increase marketplace impact.

Given our commitment to exceed the Texas Lottery's HUB goal for this RFP and their deep experience and expertise in the Texas market, we have chosen to subcontract with The Ward Group for media buying services for the General Market and African-American audiences and Bromley for media buying for the Hispanic audience.

We have deep media buying expertise in the following areas: national and local broadcasting including network TV, cable and spot TV, national and local radio, out of home, cinema advertising, newspapers, consumer trade print, digital display, SEM/SEO, mobile, social, video and promotional/sweepstakes-driven campaigns.

## Promotions

TM, in partnership with TPN, creates and implements promotions that drive consumer action at the retail and local level. Over the years, we've established a deep understanding of the psychology of shoppers – what motivates them, how they behave within the retail environment and what factors drive the decision to purchase. In fact, we have a Shopper Sciences group that is fully dedicated to just this. We apply this expertise and methodical approach to creating and measuring the impact of attention-getting and effective point-of-purchase communications. We know that hardworking promotions are just as important to your brand's success as television, radio or print, and our expertise spans a number of promotional disciplines, including shopper marketing strategy, point-of-purchase messaging and displays, event planning and execution, collateral design and co-op marketing.

**7.1.2** *Digital Strategy. Several elements of the Texas Lottery's digital strategy are provided by the Lottery and its lottery operator vendor. Proposers are anticipated to play a significant role in the expansion and growth of existing digital strategies and platforms (e.g. social media, interactive advertising, and mobile media, etc.). Proposers are required to discuss their skill and experience in executing interactive communications across various platforms.*

TM has dismantled the normal digital silo found inside agencies by integrating the digital discipline into each department within our organization. Ensuring strategies are consistent across campaigns – and digital is not simply an afterthought. Digital experts continue to work throughout the agency to ensure that best practices and the latest trends are used for all of our clients. We have managed digital solutions since 1999 across a number of clients including AA.com, American Airlines, Group Health, Redhook Ale Brewery, SuperMedia and Texas Tourism, to name a few.

TM provides the full spectrum of digital services – what we like to call “Strategy to Servers.” Specifically, this includes:

**Strategy**

- Web Content
- Digital Media
- Web Site
- User Experience (UX)
- SEO/SEM
- Social Marketing
- Mobile Marketing

**Design**

- Web Site and Microsite
- Mobile and Tablet-Optimized Web Sites
- Banner and Rich Media
- Content Wireframes
- Information Architecture
- B2B and B2C Design

**Development**

- Front- and Back-End Development
- Systems Integration
- CMS Integration
- Reporting and Dashboards
- E-commerce

**Maintenance**

- Web Hosting
- Compliance Management
- Server Maintenance

**Social Marketing Platforms**

We believe it's critical to leverage the current social marketing trends for our clients by employing a variety of social media tactics, depending on the client and campaign objectives.

Past social marketing efforts have included brand reputation management, blogging, social monitoring, cause marketing, mobile applications, widgets, viral content and online communities. We do not believe social media is limited to Facebook, Twitter or

YouTube. At its core, it's about creating engaging content that incites consumers to share and talk about your brand.

We were early adopters of social marketing, launching our first campaign for Nationwide in 2005. Based on Nationwide's tagline, "Life Comes at You Fast," TM developed a multichannel campaign that encouraged consumers to visit a promotional microsite and submit their "Life Comes at You Fast" moments via personal stories and video testimonials. The top moments were selected and broadcast on the jumbo boards in Times Square.

One of our ongoing social marketing efforts includes the Milestones program for American Airlines. TM developed an online, virtual community for AAdvantage members – frequent flyers who already feel a part of an elite "travel warrior" club – that allows them to connect, inspire and share with other AAdvantage members the joys of travel. Some of the most popular features are a community forum, photo uploading destination mapping and custom videos shot on location. It's also got a hardworking sales message in it through a featured destination component. Destinations are selected based on load factors, competitive presence or support for new routes. And it's all tied to Facebook and Twitter. To date, the program has delivered a 400% ROI.

## **Digital Media Solutions**

Our digital media team is an integrated department with notable experience planning cross-platform, multichannel media programs. We have rich experience at every digital touch point: online, social and mobile and in emerging digital media like app advertising, location-enabled technologies, touch technology and API adoption. But what makes our capabilities truly powerful for our clients is our track record of integrating these elements as only true brand stewards can, with custom solutions that improve our clients' businesses – and the way they do business.

Based on the complexity of the digital space and the need for technology-driven solutions, we have elected to maintain digital media specialists within our team. However, we work in an integrated manner, approaching each assignment channel agnostically. Our goal is to find the right media mix to deliver against the objectives and performance metrics.

As media campaigns become more complex and the landscape more fragmented, we believe in developing strategies that reach consumers with multiple touch points, integrating media and message in a meaningful way across paid, owned and earned channels.

### ***Reaching All Segments Digitally***

Internet penetration and usage have become almost as ubiquitous as TV, with at least 80% or more Americans connected to the Internet. The younger demographics across races have a greater propensity and usage. When looking into specifics of ownership of connected devices, the Hispanic and African-American audiences are definitely early adopters and embracers. As of May 2011, 44% of African-Americans own smartphones, followed by 40% of Hispanics and 31% of whites. Among owners of e-readers/tablets, Hispanics lead at 15%, whites at 12% and African-Americans coming in at 8%–10%.

The trend of Hispanic early adopters may be attributed to the tremendous buying power of U.S. Hispanics, which is projected to reach \$1.3 trillion by 2015 – a cumulative increase of around 25%, according to Packaged Facts. Bottom line,

the penetration, ownership and usage of digital devices represent a scale that is large enough to command a significant share of marketing dollars.

For the Texas Lottery, this underscores the importance of a well-planned and executed digital strategy in order to continually grow sales across all consumer segments. And TM is well-qualified and poised to deliver just that.

**7.1.3** *Advertising Related Market Research and Planning. Most research services are currently provided by the Texas Lottery or its research vendors. However, Proposers are required to discuss their in-house research capabilities, and/or access to research resources for the Texas Lottery account.*

## Market Research and Planning

Our account planning department specializes in strategic brand development grounded in the most solid research. The department has the innate ability to get to the “heart” of the marketing challenge and find the most meaningful and relevant consumer insights that will motivate your desired audience. Our account planning team capabilities include:

- Pre-Market:
  - In-depth industry and economic exploration (primary and secondary research)
  - Consumer exploration: Customer and consumer immersion
  - Communication development
    - Strategic platform idea generation
    - Tactical plan development based on the market and media insights
    - In-market real-time optimization
    - Post-market ongoing KPI monitoring

TM uses proprietary tools that are available only to IPG/McCann Worldgroup agencies as well as a number of the most comprehensive third-party syndicated research resources in the industry.

Every information source that we use is customized to accommodate our clients' needs and goals.

TM uses a number of custom exploration techniques (proprietary techniques) based on leading industry practices and significant experience managing research for retail clients. First, TM works closely with its clients to immerse ourselves in their existing data so that we can maximize that learning and build a research and data protocol that makes the most efficient and impactful use of current assets. Once the existing research is reviewed, TM provides each client with a recommendation on the most appropriate research set that the client business can benefit from. At TM, we believe in using the right tools for the job. We stay on top of marketing research innovations and best practices – and if there's no existing method to be used, we'll design it.

## Industry Exploration

### Primary Research

In order to explore and stay informed about our clients' markets, TM conducts custom primary research that investigates consumer behavior, attitudes, motivations and trends in a very specific client's market.

TM works with a variety of trusted and experienced research vendors, including Millward Brown, Hall and Partners, Kantar, Decision Analysts, Nielsen IAG, Ipsos, GfK, Synnovate and Iconoculture, among others.

## **Secondary Research**

In addition to primary research, we use IPG proprietary and syndicated third-party data in the development of breakthrough strategies and communications tactics for our clients. Following are some of the TM tools available to our clients, beginning with two exclusive, cutting-edge marketing labs created to keep our teams and clients ahead of the competition in two constantly evolving areas: shopper sciences and media/digital platforms.

### **Shopper Sciences**

Shopper Sciences, part of IPG's Mediabrands, is a shopper marketing consultancy providing retailers, manufacturers and advertising agents with the insights necessary to align marketing strategies with factors that truly influence the shopper's decision to buy. Shopper Sciences utilizes proprietary research methodologies and diagnostic tools to uncover the true drivers of influence along the path to purchase. These insights serve as the foundation for developing shopper marketing programs, including creative strategies and media channel optimization, for categories and brands.

The Shopper Sciences team offers deep expertise and services for IPG clients and agencies in the following areas:

- Retail shopper marketing and consulting services
- Reporting and tracking research
- Shopper optimization and segmentation
- In-store infrastructure design
- Shopper technology consulting
- POP benchmarking and optimization
- Messaging and creative optimization
- Loyalty optimization

### **IPG Emerging Media Lab**

The Emerging Media Lab is the place where marketers and IPG agencies go to discover and learn the future of media and critical trends shaping the way the world consumes media and experiences brands. A truly enriching experience that is unique to IPG clients and the network of agencies, the lab is a think tank with hands-on opportunities to experience the latest in technology and innovation.

Serving as a nexus for the collection and distribution of proprietary ideas and market information, the Emerging Media Lab is comprised of a team of industry leaders all committed to innovation in emerging media channels helping to bridge what consumers do today and what marketers need to do tomorrow. Providing clients and agencies with the power to harness emerging media by offering facilities, expertise and resources specifically tailored to rigorously test emerging media and marketing techniques, driving quantifiable outcomes and learning. Some of the specific areas of expertise include understanding the current and future developments surrounding connected TV, gaming, mobile, social and out-of-home. Immersion sessions customized to specific areas of interest are available to IPG clients and agencies.

Originating in Los Angeles, the lab recently unveiled a second facility in New York.

### **Center for Marketing Intelligence (CMI)**

CMI is a 24/7 searchable gateway to current U.S. and international research from leading research companies such as Euromonitor, Mintel, Standard & Poor's, Forrester and Retail Forward. **CMI is only available to IPG agencies.**

### **Mintel**

Mintel is an independent award-winning provider of world-leading market intelligence, delivering robust information, analysis and critical recommendations.

### **Iconoculture**

As the leading global consumer research and advisory company, Iconoculture delivers the most comprehensive consumer insights by integrating consumer information from multiple data sources and combining it with expert analysis and interpretation by the industry's largest Advisory Services team.

### **Forrester**

Forrester Research, Inc. is an independent research company that provides pragmatic and forward-thinking advice to global leaders in **business and technology**. Forrester provides proprietary research, customer insight, consulting, events and peer-to-peer executive programs.

### **National Retail Federation Foundation**

As the world's largest retail trade association and the voice of retail worldwide, NRF represents retailers of all types and sizes and conducts ongoing, in-depth primary industry research.

### **Harris Interactive**

Harris Interactive studies lifestyles and shopping statistics to provide customers with customized reports on their market segments. Harris Interactive uses the most innovative media, ethnographic and survey techniques to deliver the insights that are very specific to clients' industries and consumer groups.

### **Nielsen**

Nielsen is shopper behavior monitor and consumer trend division to provide marketers with local and global insights into consumer behavior and product sales across categories in nearly 100 countries. Nielsen services include flexible analytics that present a holistic view of the marketplace.

### **GfK MRI**

GfK MRI's Survey of the American Consumer is a national database that includes media usage, demographics, psychographics and consumer behavior. Market Solutions is GfK MRI's "applied intelligence" division, providing custom and analytical research for marketers who seek a deeper understanding of their target consumers and more efficient pathways for reaching and interacting with them.

## **Scarborough**

Scarborough Research is one of the largest databases that contain information on the lifestyles, shopping patterns, media behaviors and demographics of American consumers locally, regionally and nationally. Scarborough consumer insights are used by marketers and media professionals to develop successful programs that maximize return on marketing and sales investments.

## **Pew Research Center**

The Pew Research Center is a nonpartisan fact tank that provides information on the issues, attitudes and trends shaping America and the world. The center conducts public opinion polling, demographic studies, media content analysis and other empirical social science research.

## **Consumer Exploration**

Once we learn about our clients' markets, TM explores the client's brand and competitive communications using a wide variety of qualitative and quantitative tools to gather information that helps us thoroughly examine our clients' brands:

### **One-on-One Interviews**

In-depth interviews that allow greater levels of consumer attitudes exploration by creating an atmosphere of privacy and confidentiality.

### **Focus Groups**

TM uses traditional focus groups as well as conflict groups – a form of focus groups that provokes the most insightful discussion about the competing brands, during which loyalists of competing brands promote and explain their preference. Conflict focus groups are an invaluable source of consumer relevant arguments and language. TM connects with the best focus group moderators to ensure the most in-depth results.

### **Ethnographic Shop-Alongs**

Shop-Alongs, much like focus groups, are often utilized to obtain qualitative learning related to a product, concept or marketing initiative. However, the retail environment in which a Shop-Along takes place allows you to go much further and address issues and obtain feedback from qualified customers where the purchases and purchase decisions take place. The context of the survey allows these studies to have a distinct advantage over more traditional research methods in the following areas:

- Ideation & opportunity exploration
- Concept development
- Concept screening & retail copy pre-testing

### **Custom design online and offline surveys executed by leading market research companies**

TM has experience designing and executing the studies on a wide array of topics – from customer segmentation to tagline testing. TM Account Planning Department has capabilities to arrange research sessions across the U.S., as well as internationally.

### **Primary Data Analysis**

TM partners with Dunnhumby, who collects large amounts of customer-specific transaction data to diagnose brand performance and create transaction-based customer segmentations. This data is commonly paired with other research, media and online data to build a robust and dimensional sales and customer analysis.

### **Brand Equity and Brand Personality Evaluation**

TM uses a combination of primary research and existing market data to assess a brand's assets, define its personality and develop recommendations on brand equity improvement.

## **Communication Development**

In the process of developing communication concepts, we use a range of traditional and innovative techniques to make sure that we are on track.

### **Positioning Research**

Exploring how consumers see the brand positioning relative to competitors' and consumers' own beliefs and attitudes.

### **Neuromarketing Research**

A new field of research used by market giants such as Google and Frito-Lay, neuromarketing studies consumers' sensorimotor, cognitive and affective response to marketing stimuli. Eye-tracking technology is used to measure either the point of gaze or the motion of an eye relative to the head.

### **Concept Testing (proprietary technique)**

Testing the acceptance of a creative concept by target consumers. As part of concept testing, TM uses Coolhunting to predict the role of the client's brand in the changing cultural and economic environment.

### **Interest Tracker**

The process of measuring the levels of consumer interest throughout a TV, radio or online ad. Interest Tracker allows us to optimize branding by connecting the brand cues to the most interesting parts of an ad.

### **Copytesting**

An in-depth exploration of the ad's ability to break through, communicate the intended message and motivate the target audience. Copytesting includes a large number of measures and provides an opportunity to assess every nuance of an ad performance.

### **Message Context Analysis (proprietary technique)**

Analyzing the creative and communication environment in which a message exists. Context analysis considers the entire environment of a message, its internal and external elements and the relation between the elements.

### **Viral Marketing Analysis**

Marketing research designed to estimate the probability that specific communications will be transmitted throughout an individual's social network.

## **In-Market Real-Time Optimization**

### **Real-Life Ad Performance Tracking**

The technique that allows real-life evaluation of each ad on a limited number of measures. The greatest advantage of real-life tracking is its ability to measure the campaign performance under real media and competitive conditions.

## **Post-Market Ongoing KPI Monitoring**

TM capabilities include post-launch ad evaluation as well as measuring the effect of communications on brand equity. We develop research tools for custom performance tracking after the launch of advertising as well as in the long term.

### **Custom Ad Tracking (proprietary technique)**

Evaluating the campaign effectiveness and its impact on brand perceptions over a period of time using custom measures that are specific to the client's business. May include the campaign ability to break through and to communicate the brand.

### **Custom Brand Tracking (proprietary technique)**

Evaluating the brand and competition performance using custom measures that are specific to the client's business. Traditionally, brand tracking includes awareness, consideration and preference assessment, as well as brand perception on a number of custom attributes.

### **Wearout Analysis (proprietary technique)**

Wearout is generally defined as consumer tiredness of a given stimulus, such as message, brand or creative approach. TM uses all available ad and brand performance research to develop a system of early wearout indication.

### **Predictive Modeling (proprietary technique)**

Building a model that best predicts which actions or aspects of client communications can help maximize the effect of advertising. TM partners with the leading statistical analysis suppliers specializing in marketing and advertising to build predictive models upon the client's request.

### **Customer Satisfaction Research**

A combination of quantitative and qualitative studies that yields an understanding of a customer's satisfaction with the client's product or service.

## **7.2 Advertising Sensitivity**

### **7.2.1** *The Texas Lottery is an agency of the State of Texas, and all advertising efforts shall be conducted in a manner commensurate with the dignity and integrity of the State of Texas. Advertising should be consistent with the core values, mission and vision of the Texas Lottery and, in accordance with the State Lottery Act, lottery advertising must not unduly influence any person to purchase a lottery product.*

TM Advertising has read, understands and will comply with these requirements.

At TM, we understand the need to adhere and align our marketing communications with the Texas Lottery's core values, mission and vision, and in accordance with the State Lottery Act. Our experience with state and government accounts including

the Texas Tourism business demonstrates our ability to work and act in a manner commensurate with the dignity and integrity of the State of Texas.

**7.2.2** *The following stipulations apply to all Texas Lottery advertising:*

- (1) Advertising should not unduly influence.
- (2) Advertising should not over promise.
- (3) Advertising should not show a change of lifestyle. Advertising should not present, directly or indirectly, any Texas Lottery game as a potential means of relieving any person's financial or personal difficulty.
- (4) Advertising should not display guns, alcohol, tobacco, improper attire or imply lewd or indecent language, images or actions.
- (5) Advertising should not portray product abuse, excessive play or preoccupation with gambling. It should also not imply or portray any illegal activity.
- (6) Advertising should not make fun of other's pain, misfortune or impairment, physique, nor should advertising degrade the image or status of persons of any ethnic, minority or religious group.
- (7) Advertising should not show any form of cruelty and/or abuse of animals.
- (8) Advertising should not specifically target with the intent to exploit a person or specific group or economic class.
- (9) Advertising should not create the perception that the Texas Lottery has control over where winning tickets are sold and/or purchased.
- (10) Advertising should not stereotype Texans.
- (11) Advertising shall not solicit children.

TM Advertising has read, understands and will comply with these requirements.

We understand and appreciate the importance of the advertising stipulations. We have tried to uphold and respect these requirements in the development of our campaign ideas. In a working relationship with the Texas Lottery, we would work in partnership with you to understand and interpret the guidelines to exacting standards in all communications development.

## **7.3 Advertising and Media Plans**

**7.3.1** *The Texas Lottery will provide the Successful Proposer with a marketing strategy including planned product flights as well as an overall budget. The strategy shall clearly define communication goals and objectives that result from the Texas Lottery's general strategy. Texas Lottery staff and the Successful Proposer shall meet as needed to review the goals and objectives. The Texas Lottery may modify and/or amend the goals and objectives at any time.*

TM Advertising has read, understands and will comply with these requirements.

**7.3.2** *Advertising Plan. The Successful Proposer shall be required to develop an annual advertising plan that is consistent with the Texas Lottery's marketing strategy and must be approved in writing by the Texas Lottery. The advertising plan, at a minimum, must include:*

- (1) Audience profiles inclusive of both general and ethnic markets.
- (2) Creative strategies for all advertising campaigns planned for the fiscal year and how these strategies achieve the goals and objectives in the Texas Lottery's marketing strategy.
- (3) Relevant research to support the recommended creative strategies.
- (4) A general breakdown of proposed spending (production and media) by media type, product, Designated Market Area (-DMA).
- (5) Opportunities for special events, promotional activities, and any other topics specified by the Texas Lottery.

TM Advertising has read, understands and will comply with these requirements.

**7.3.3** *Media Plan. Once the advertising plan has been approved, the Successful Proposer shall develop a media plan to support the advertising plan. The Texas Lottery and the Successful Proposer will review the media plan and may revise the plan based on changes in economic factors, market conditions, or as otherwise authorized by the Texas Lottery. The media plan, at a minimum, must include:*

- (1) Allocation of dollars by media and DMA with detailed rationale.
- (2) Gross rating point (GRP) objectives with reach/frequency and efficiency analysis.

- (3) Detailed media flowchart that specifies mediums, market tiers, GRP levels and costs for each campaign.

Advertising and media plans should be based on the Texas Lottery's fiscal year (FY) (September 1–August 31). The Successful Proposer shall submit an advertising plan for FY13 no later than four weeks after the Contract execution date, or as specified by the Texas Lottery. The media plan for FY13 is due two weeks after the Texas Lottery approves the advertising plan. Advertising plans will be due annually thereafter but no later than May 31, and media plans will be due two weeks after Texas Lottery approval of the advertising plans.

TM Advertising has read, understands and will comply with these requirements.

Having worked with Texas Tourism for many years, we are well-versed in the rigorous process needed in developing and delivering comprehensive, annual media plans in accordance with State entity and/or Texas Lottery Commission requirements.

## 7.4 Budget

- 7.4.1** *The Successful Proposer shall develop an annual budget based on the Texas Lottery's fiscal year of all advertising expenditures. The level of anticipated annual spending will be determined by the Texas Lottery, based on projections contained in the advertising plan. The Successful Proposer shall develop a cost-efficient plan that is responsive to the Texas Lottery's marketing needs. The budget shall provide proposed spending for respective markets as recommended in the advertising plan.*

TM Advertising has read, understands and will comply with these requirements.

- 7.4.2** *The Successful Proposer shall make recommendations for savings wherever possible. The Budget will be reviewed as needed and shall be revised as required by the Texas Lottery. Budget plans shall be incorporated in the Advertising and Media Plans and are subject to approval by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

- 7.4.3** *The Successful Proposer shall make no commitment on behalf of the Texas Lottery without prior written approval by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

## 7.5 Reports

*The Successful Proposer shall provide the following reports to the Texas Lottery in a format approved or proscribed by the Texas Lottery.*

- 7.5.1** *The following report is due every Wednesday:*
- *Status Report. This report documents all current media and production jobs, projects, promotional events, reporting, and meetings. Status Report will include: job by product, media, production, status of job, timeline of job, or as proscribed by the Texas Lottery. The report should also include a section for outdoor billboard maintenance. This section will include DMA, board number, board location, creative, date incident was reported, description of incident with board or as proscribed by the Texas Lottery. All timelines shall include a minimum of five (5) Working Days for approval by the Texas Lottery on each stage of each job or project unless otherwise approved by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

- 7.5.2** *The following reports are due by the 10th of each month:*
- *The HUB Subcontracting Plan Prime Contractor Progress Assessment Report. This report documents monthly payments made by the Successful Proposer to subcontractors under the Contract. The report may be due prior to the 10th of the month at the request of Texas Lottery staff.*
  - *Approved Expenditure Report. A summary of all approved expenditures to date for the current fiscal year. The summary shall indicate the total amount available in the budget and the total amount currently committed. The summary also shall include current amounts invoiced, amounts invoiced but not paid, amounts owed for services performed*

but not invoiced, and current amounts paid, together with spending by audience, media and production type.

TM Advertising has read, understands and will comply with these requirements.

**7.5.3** *The following reports are due quarterly:*

- *Post Buy Report. No more than one hundred twenty (120) Days following the end of each broadcast quarter after the flight ends, the Successful Proposer shall provide the Texas Lottery with a post buy report indicating whether the reach, frequency and GRP goals of each buy were achieved within budget. If the goals were not achieved, the report shall contain a make good report where bonus spots were issued. In addition, post buy analyses shall be provided for media buys that utilize new rating information for the buy period, when available.*
- *Print Audit. No more than thirty (30) Days following the end of each TLC fiscal year quarter, the Successful Proposer shall submit quarterly print audits. Print audits will include name of publication, (paid or unpaid) circulation, DMA, year established, publication frequency, distribution sites, and publisher information or as prescribed by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

**7.5.4** *The following report is due on an annual basis:*

- *Year End Media Review. The Successful Proposer shall submit year end media reviews no later than January annually during the Contract term and any renewal periods, including a summary of added value achieved as a result of the previous year's media buy.*
- *Storage Inventory Report. The Successful Proposer shall submit an inventory report no later than September 30. The report shall include the date of inventory, job number and description or as prescribed by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

**7.5.5** *The following report is due prior to campaign launch as follows:*

- *Media Buys. For each campaign, actual media buys will be required at least three weeks prior to the start of each flight. All media buys must include a summary of goals met, any cost savings achieved per DMA and added value placement in accordance with section 7.7.4. The Successful Proposer shall make the Texas Lottery aware of any cost savings that might be achieved by the advance purchase of media.*

TM Advertising has read, understands and will comply with these requirements.

**7.5.6** *The following report is due thirty (30) Days after campaign completion as follows:*

- *Post Campaign/Promotional Report. This report provides a recap of each campaign as prescribed by the Texas Lottery. Report is due thirty (30) Days after the campaign/promotional event concludes or as directed by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

## **7.6 Creative Services**

**7.6.1** *The Successful Proposer shall be responsible for conceiving, creation and production of Texas Lottery advertising materials, including broadcast, digital and print advertisements, out-of-home and such other materials as may be required by the Texas Lottery. The Successful Proposer also may be required to develop multi-media campaigns and to assist the Texas Lottery in developing game names, product logos, or art for other use.*

TM Advertising has read, understands and will comply with these requirements.

**7.6.2** *Creative Concepts. The Successful Proposer shall present at least three (3) creative concepts for each campaign and, upon Texas Lottery approval of the campaign concept, the Successful Proposer shall present three (3) creative options for each medium in the campaign. If concepts or creative options are not approved by the Lottery, the Successful Proposer, at the direction of the Texas Lottery, shall be required to develop and present additional creative executions.*

TM Advertising has read, understands and will comply with these requirements.

**7.6.3** *Creative Meetings. The Successful Proposer shall schedule creative meetings between Texas Lottery staff and the account team. Unless otherwise approved by the Texas Lottery, the Successful Proposer shall provide at least five (5) Working Days' advance notice for all creative meetings. Creative meetings will be held on an as-needed basis.*

TM Advertising has read, understands and will comply with these requirements.

**7.6.4** *Timelines. The Successful Proposer shall allow sufficient time for developing and presenting creative solutions, editing and revising selected options, obtaining final approvals from Texas Lottery staff, producing the final product, and distributing the finished product according to Texas Lottery specifications. Unless otherwise approved by the Texas Lottery, all timelines shall include a minimum of five (5) Working Days for approval by the Texas Lottery on each stage of each job or project. The Successful Proposer shall provide detailed production schedules with task milestones for each job. Prior to conference calls with the Successful Proposer and the Texas Lottery all required materials for the call must be sent via email no later than four (4) hours before the call unless otherwise approved by the Texas Lottery. The Texas Lottery will not be responsible for any additional costs incurred as a result of the Successful Proposer's not adhering to set timelines.*

TM Advertising has read, understands and will comply with these requirements.

**7.6.5** *Artwork Changes. The Successful Proposer shall only be allowed to charge the Texas Lottery one time for artwork that is used in multiple forms, except for the reduction or enlargement of the artwork. Artwork required for any print advertisements shall be billed as a one-time item on a separate invoice. All original artwork becomes the property of the Texas Lottery, and the Successful Proposer shall provide originals to the Texas Lottery upon request and, in any event, promptly following Contract termination or expiration.*

TM Advertising has read, understands and will comply with these requirements.

**7.6.6** *Creative Approvals. The Successful Proposer shall obtain written approval from the Texas Lottery prior to producing any advertisement. When producing any creative work, the Successful Proposer shall not vary from approved scripts, story boards or print layouts without written approval from the Texas Lottery. Failure to adhere to approved scripts, story boards or layouts may void the Texas Lottery's approval of the estimate for the project. The Successful Proposer shall incorporate all changes required by the Texas Lottery, as well as submit any other alternative creative solutions deemed prudent by the Successful Proposer. The Successful Proposer shall be responsible for all unauthorized expenses.*

TM Advertising has read, understands and will comply with these requirements.

## **7.7 Media Services**

**7.7.1** *Negotiation and Placement. The Successful Proposer shall be responsible for the placement and purchase of all media, including but not limited to broadcast, digital, out-of-home and print media. In negotiating media purchases, the Successful Proposer shall make the Texas Lottery aware of any savings that might be achieved through long-term commitments or other specialized programs. Media placement shall be reimbursed at net cost with no mark up.*

TM Advertising has read, understands and will comply with these requirements.

**7.7.2** *The Successful Proposer shall be responsible for auditing and verifying all media outlets. The criteria used for auditing media outlets will be at the sole discretion of the Texas Lottery. If the Successful Proposer proposes a more viable and cost effective method, the Successful Proposer will make the report available for inspection and approval by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

**7.7.3** *Placement Verification. The Successful Proposer shall ensure that all media was broadcast or published according to any contracts or placement instructions. The Successful Proposer shall provide, at no cost to the Texas Lottery, affidavits, tear sheets or any other placement verification requested by the Texas Lottery. Placement verification documents shall indicate the run dates and/or times and the circulation or ratings achieved.*

TM Advertising has read, understands and will comply with these requirements.

- 7.7.4** *Added Value Media Placements. The Successful Proposer shall attempt to negotiate added value for all media included in any Texas Lottery buy. Any added value provided by participating media vendors shall be identified in the summary of any media buy. The Successful Proposer shall establish a goal for added value media subject to Texas Lottery approval, based on estimated spending over each contract year.*

TM Advertising has read, understands and will comply with these requirements.

## **7.8 Materials and Signage**

*The Successful Proposer shall be responsible for the creative design and production of printed materials under the Contract to support the Texas Lottery's advertising efforts. The Successful Proposer may provide product brochures and posters, signage, digital and traditional displays, and other point-of-sale items, together with other collateral materials at the Texas Lottery's request.*

TM Advertising has read, understands and will comply with these requirements.

## **7.9 Film and Placement Verification Storage**

*The Successful Proposer shall store all past and current film and placement verification associated with the Texas Lottery. The Successful Proposer shall store all film and placement verification in a manner consistent with industry standards. All storage cost for film and placement verification will be reimbursed by the Texas Lottery for actual cost only. In accordance with Section 3.16.4, the Successful Proposer shall aid in any transition of film and placement verification to any new arrangement and provider, if applicable.*

TM Advertising has read, understands and will comply with these requirements.

## **7.10 Goods and Equipment**

*Notwithstanding anything herein to the contrary, after completion of the services to be provided on the Texas Lottery's behalf, the Successful Proposer shall be solely responsible for the proper disposition of all physical or tangible goods and/or equipment created in connection with the services or works provided to the Texas Lottery, and which are incidental to such services or works (e.g., props, set dressing, promotional equipment, signage, related equipment). The Texas Lottery will notify the Successful Proposer in the event that such incidental goods or equipment are to be returned to the Texas Lottery; otherwise, the Successful Proposer shall bear all storage, destruction and other costs in connection with disposition of such physical or tangible goods and equipment. Upon request of the Texas Lottery, the Successful Proposer shall be required to provide supporting documentation confirming disposal or destruction of such items. The Successful Proposer is expressly prohibited from reproducing, distributing, displaying, performing publicly, making copies or derivative works of, selling, using, reusing or otherwise conveying to other persons or entities any goods and/or equipment bearing any Texas Lottery mark without prior written approval by an authorized Texas Lottery representative.*

TM Advertising has read, understands and will comply with these requirements.

## **7.11 Public Service Announcements**

*At the Texas Lottery's request, the Successful Proposer shall develop print and/or broadcast public service announcements and work to secure placements. The announcements will run at no charge to the Texas Lottery. The Successful Proposer shall include a detailed PSA run schedule in its quarterly post buy analyses.*

TM Advertising has read, understands and will comply with these requirements.

## **7.12 Translation Services**

*Translation services may include translation in multiple languages, terminology creation and management, editing, proofreading, studio linguistic advising and post-processing, and cultural review. These services must be available on request. In the past, the Texas Lottery has used translation services for Spanish and Chinese.*

TM Advertising has read, understands and will comply with these requirements.

## **7.13 Experiential Marketing – Promotional Events/Activities, Sponsorships and Special Events**

**7.13.1** *The Texas Lottery works primarily with the Texas lottery operator, GTECH Corporation, to select promotional events/activities, sponsorships and in-store Retailer promotions that create awareness and interest for Texas Lottery products among adult Texans. Experiential Marketing efforts are intended to increase product trial and educate new and potential players about Lottery products.*

TM Advertising has read, understands and will comply with these requirements.

**7.13.2** *At the Texas Lottery's request, the Successful Proposer shall assist in selecting, developing and contracting for promotional events/activities, sponsorships and other special events. The Successful Proposer may be responsible for designing promotional giveaways and interactive and experiential activities in support of the Texas Lottery brand and products. This may include contracted services with third party vendors, equipment, supplies or other components required to conduct the promotional event/activity or sponsorship.*

TM Advertising has read, understands and will comply with these requirements.

**7.13.3** *The Successful Proposer shall make the Texas Lottery aware of any possible media sponsorships and the cost-efficiency of such sponsorships.*

TM Advertising has read, understands and will comply with these requirements.

**7.13.4** *Joint Promotions. At the Texas Lottery's request, the Successful Proposer shall solicit and encourage joint advertising and promotional opportunities with potential co-sponsors. The Successful Proposer shall indicate the benefits to the Texas Lottery from any such joint promotion recommended.*

TM Advertising has read, understands and will comply with these requirements.

**7.13.5** *Free Tickets and Other Benefits. Sponsorships often carry with them an offer for free tickets to events, premium items and other special benefits. All such benefits provided in relation to a sponsorship purchased on behalf of the Texas Lottery shall be fully disclosed and documented. The Texas Lottery reserves the right to accept or reject the offer of any such items or benefits offered in association with a sponsorship or other media buy. The Successful Proposer may not utilize any such items for its own benefit or the benefit of other clients. No such item shall be provided to an employee of the Texas Lottery. The Successful Proposer shall maintain a listing of any or all items or benefits provided to the Texas Lottery, and shall make a recommendation for their use. Tickets, trips, premiums and other such items may be utilized for retailer incentives, for example. If, at the Texas Lottery's sole discretion, the Texas Lottery cannot make appropriate use of the items offered, it shall be the obligation of the Successful Proposer to negotiate lower rates or alternative benefits.*

TM Advertising has read, understands and will comply with these requirements.

**7.13.6** *Conventions, Trade Shows, Special Events and Meetings. All Texas Lottery vendors are encouraged to stay current on industry trends by attending various conventions, trade shows, special events, HUB expos and related meetings. When attendance is requested by the Texas Lottery, all expenses for these events shall have prior written approval by the Texas Lottery and will be reimbursed pursuant to Texas State Per Diem (See Section 7.17).*

TM Advertising has read, understands and will comply with these requirements.

## **7.14 Expenditure Approval**

**7.14.1** *The Successful Proposer shall prepare written estimates for all expenditures and obtain prior written approval from the Texas Lottery before making any commitment on behalf of the Texas Lottery. The Texas Lottery will not be responsible for any expenditure unless pre-approved in writing by the Texas Lottery. Unless otherwise approved by the Texas Lottery, the Successful Proposer shall submit a written request for approval of estimates at least five (5) Working Days prior to the start of production. The Successful Proposer shall submit estimates in a format prescribed by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

**7.14.2** *For expenditures that exceed \$5,000, the Successful Proposer must obtain at least three (3) competitive bids to be used in the preparation of written estimates. The areas which will require competitive bidding are identified in Section 5.5 of this RFP. In obtaining bids, the Successful Proposer must comply with the HSP requirements. The Successful Proposer shall be required to provide all supporting documentation of bids for these charges along with the job cost estimate.*

TM Advertising has read, understands and will comply with these requirements.

**7.14.3** *Any production work to be conducted outside the State of Texas must be identified in the expenditure approval request, and the Successful Proposer must demonstrate to the Texas Lottery's satisfaction that locations or facilities within the State of Texas are not adequate for the required production.*

TM Advertising has read, understands and will comply with these requirements.

**7.14.4** *Estimate Revisions. Revisions to approved estimates must be pre-approved in writing by the Texas Lottery representative. All revised estimates shall contain full written explanation for the cost differential, including previous approved amounts.*

TM Advertising has read, understands and will comply with these requirements.

**7.14.5** *Estimate Cancellations. For any previously approved estimate that is cancelled, upon cancellation the Successful Proposer shall submit a revised closed estimate for Texas Lottery approval, reflecting all cancelled portions of the estimate.*

TM Advertising has read, understands and will comply with these requirements.

## **7.15 Billing/Invoices**

**7.15.1** *The Successful Proposer shall include approved estimates with invoices and requests for payment submitted under the Contract. No payment will be made without a signed and approved estimate. Payments will be made only upon the completion of services or after the delivery of goods and/or services authorized in an approved invoice.*

TM Advertising has read, understands and will comply with these requirements.

**7.15.2** *In accordance with Section 3.9 and as further described herein, the Successful Proposer shall submit invoices to the Texas Lottery in accordance with this Section 7.15 upon completion of those services approved in a specific estimate. Production jobs will be closed ninety (90) Days after the completion of the production. Media jobs will be closed ninety (90) Days after the completion of the actual date(s) when the (media) air dates/flights took place. Once a job is closed, no further billing can be submitted. The Successful Proposer is required to mark Closed on the final invoice submitted to the Texas Lottery for payment of the job.*

TM Advertising has read, understands and will comply with these requirements.

**7.15.3** *The State's fiscal year is September 1 through August 31. Any invoices submitted after August 31 for services performed during the previous fiscal year must be submitted to the Texas Lottery no later than October 30 of the immediately following fiscal year.*

TM Advertising has read, understands and will comply with these requirements.

**7.15.4** *If no final invoice is received within ninety (90) Days after the termination of the contract or expiration of this contract by its own terms, the Successful Proposer waives the right to receive any further payments under this agreement.*

TM Advertising has read, understands and will comply with these requirements.

**7.15.5** *The Successful Proposer shall submit invoices in duplicate every other Monday, or as prescribed by the Texas Lottery, together with supporting documentation to substantiate all expenses incurred. If the designated Monday is a State holiday, invoices will be due the next state business day. By submitting an invoice for payment, the Successful Proposer certifies that goods have been delivered and received or services have been rendered in accordance with the Contract. The Successful Proposer must include, at a minimum, or as prescribed by the Texas Lottery the following with each invoice: (i) invoice statement including the invoice number, job/estimate/line number; flight/air date(s), amount for each invoice submitted, current billed amount and balance*

remaining; (ii) all approved estimates and revisions; and (iii) any and all supporting documentation (e.g., subcontractor bills, tearsheets, affidavits, etc.).

TM Advertising has read, understands and will comply with these requirements.

**7.15.6** *Any invoices submitted that do not have all required detail to process for payment will be disputed in accordance with Texas Government Code § 2251.042 et. seq. (–Disputed Payments). A disputed invoice will be processed for payment as soon as possible following settlement of dispute, but no sooner than thirty (30) Days from original invoice received date.*

TM Advertising has read, understands and will comply with these requirements.

**7.15.7** *The Successful Proposer shall be required to reimburse the Texas Lottery for any overpayment determined as a result of an audit or inspection of records on work performed under the Contract. At the Texas Lottery's sole discretion, reimbursement may be in the form of a credit or actual payment made by the Successful Proposer.*

TM Advertising has read, understands and will comply with these requirements.

## **7.16 Shipping/Freight Charges**

*The Successful Proposer is expected to utilize the lowest cost modes and carriers to safely transport their shipments. The Successful Proposer shall be responsible for all additional costs incurred by the Texas Lottery as a result of the successful Proposer's delay.*

TM Advertising has read, understands and will comply with these requirements.

## **7.17 Travel**

*The Texas Lottery does not reimburse for travel related expenses for regularly held meetings at Lottery Headquarters. In the event, that TLC requires the Successful Proposer to travel, for TV and radio production, event management or other reason any such travel cost will be reimbursed pursuant to Texas State per diem rates. Approved travel expenses shall not be reimbursed without prior written approval by the Texas Lottery pursuant to the estimate approval process. Travel related to TV and radio production by the Successful Proposer's subcontractor staff shall be reimbursed at rates pursuant to State per diem.*

TM Advertising has read, understands and will comply with these requirements.

## **7.18 Unacceptable Products**

*The Successful Proposer shall be responsible for the cost of all items produced on behalf of the Texas Lottery that are misprinted, produced in error or which the Texas Lottery, in its sole discretion, determines are unacceptable.*

TM Advertising has read, understands and will comply with these requirements.

## **7.19 Unacceptable Services**

*The Successful Proposer shall be responsible for any costs incurred in conjunction with services provided on behalf of the Texas Lottery which are deemed unacceptable due to failure to meet deadlines that warrant services unusable, or rendered in a manner inconsistent with the services approved by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements.

## **7.20 Meetings with TLC Vendors**

*Any meetings or conference calls that are held between the Successful Proposer and any of the Texas Lottery's vendors must be approved by the Texas Lottery. Texas Lottery staff may attend any meeting or conference call the Successful Proposer and any of the Texas Lottery vendors may have.*

TM Advertising has read, understands and will comply with these requirements.

## **7.21 Other Associated Services (Offered Option)**

*Offered Options are not identified in this RFP, but may be identified by the Proposer and included in the Proposal. This is an opportunity for Proposers to offer options the Texas Lottery may not have been aware of at the time this RFP was written. As an Offered Option, Proposers should describe in detail any other service(s) proposed to be provided to the Texas Lottery that are not specifically addressed in this RFP. The Proposer should include the cost or fee associated with an Offered Option, on a separate sheet to be included with the sealed cost proposal. The Proposer also should specify how those services would assist the Texas Lottery in achieving its objectives as outlined in this RFP.*

TM Advertising has read, understands and will comply with these requirements.

## **7.22 Austin Office**

*The Successful Proposer is not required to maintain an office in Austin, Texas, but shall indicate all key staff that will be available to meet with Texas Lottery representatives at Texas Lottery headquarters as required by the Texas Lottery.*

TM Advertising has read, understands and will comply with these requirements. Any of TM's staff will be available to meet with Texas Lottery representatives at Texas Lottery headquarters as required by the Texas Lottery. In addition, TM Advertising maintains an office in Austin located at 2009 South Capital of Texas Highway. In fact, the TM Texas Lottery account executive, Mary Roland, who has previous experience managing complex accounts for the State of Texas, resides in this office and will be available to meet at a moment's notice with Texas Lottery representatives at the Texas Lottery headquarters.

# Creative Response





## 8. Creative Response

### 8.1 Creative Assignment

**8.1.1** *The Texas Lottery is interested in the Proposer's process and approach to resolving communication challenges. The Texas Lottery will assess the Proposer's ability to utilize qualitative and quantitative market research and translate the findings into a concise advertising strategy that produces effective, marketing messages.*

### The TM Planning Process

At TM, we have a very goal-oriented, rigorous process for addressing our clients' communication challenges. In the following section, we will outline this process and the marketing research utilized throughout.

The TM planning process is rigorous, disciplined and grounded in research. The output of this process is a single-minded strategic brand idea, breakthrough creative and sound media execution that are relevant to each audience and revenue generating for the brand.

At TM we believe planning is not a finite cycle but rather an ongoing effort. We continuously monitor, adapt and calibrate to maximize business results and build brand momentum.



## **COLLECT: Category and Brand Knowledge**

We begin any strategic assignment by immersing ourselves in all available data, including:

- Conducting in-depth audits of the audience, the category and the brand; immersing ourselves in all industry reports, secondary publications, white papers and any available customer behavior data

However, this is only the beginning. We combine this learning with our own proprietary resources and custom research, including:

- Qualitative research such as ethnography, journal writing and focus groups
- Quantitative research such as attitude, equity and brand salience studies
- Iconoculture – tracking of cultural and consumer trends

By engaging the full spectrum of resources and research, we are able to take a true 360-degree look at your brand and identify the critical drivers and motivations to achieve brand success.

## **CONVERGE: Insights and Brand Strategy Development**

We next move into the convergence phase – where we cull all the learning from the collection phase into core truths and a sound strategic brand foundation.

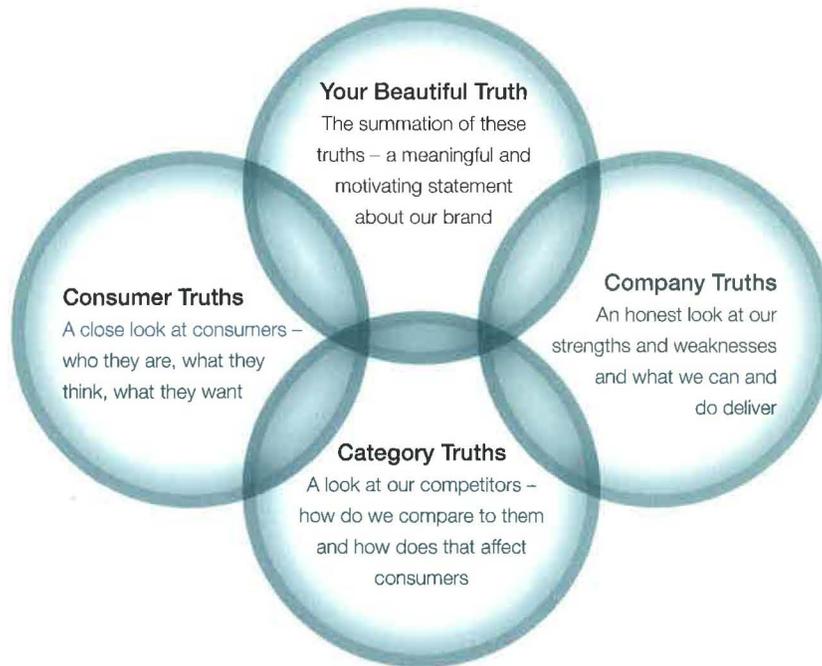
At TM, our strategic foundation is built around Finding Your Beautiful Truth.

We believe every brand has a Beautiful Truth. It's out there. It's in you. And your consumers. And it can be a powerful tool to drive business results. Yes, business results. The Beautiful Truth is found not in what your brand does but in what your brand means. Our passion is finding your Beautiful Truth. Expressing it in a meaningful way. And spreading it far and wide.

It is our belief that the Beautiful Truth is found at the convergence of the consumer, the brand and the category. It is the convergence of these truths that leads to the most motivating and compelling brand positioning – a positioning that not only differentiates but also resonates because it is uniquely true for the brand and the core audience it is striving to attract.

Grounded in the brand's Beautiful Truth, we create relevant consumer dialogue and, ultimately, brand loyalty.

## discovering your Beautiful Truth



Once we have defined the brand's truth, we develop expressions of that truth in consumer language to ensure that it is articulated in a way that best resonates across all audiences.

The output of this is a single-minded creative message and creative brief.

### **CREATE: Creative Innovation and Leadership**

In the next phase, we take our single strategic idea and develop creative concepts to express this idea in the most meaningful way.

At TM, we don't just want to be creative for creative's sake. We seek to connect with consumers on a deeper, more meaningful level. One that inspires and motivates them to participate with our clients' brands.

We look for holistic ideas, not ad ideas. We look for ideas that move beyond product to brand and ideas that transcend across all communication touch points.

We then validate these creative concepts in research, ensuring we are optimizing the concepts across all target audiences critical to our clients' success.

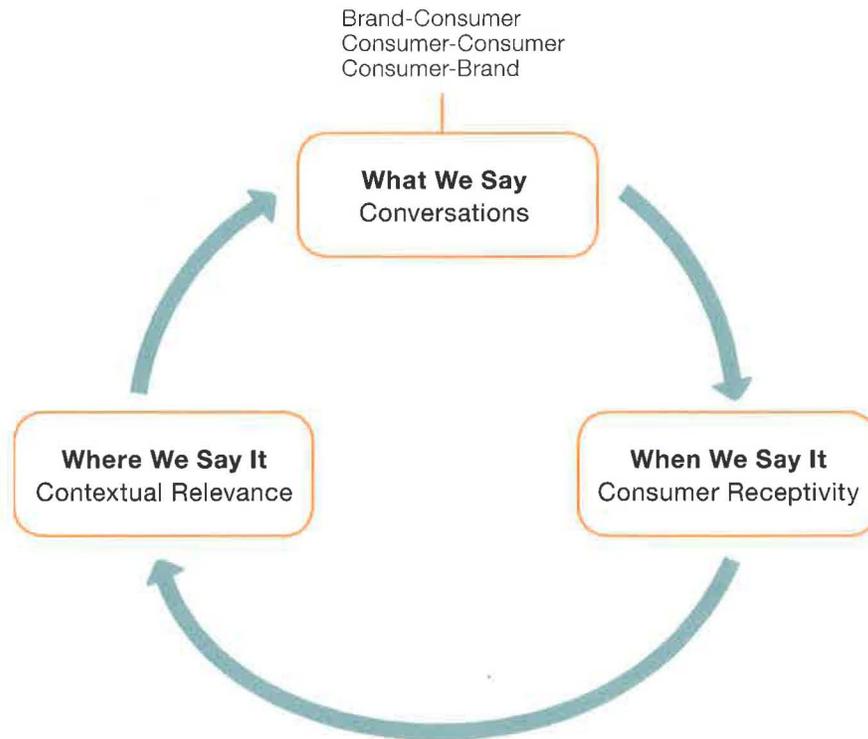
And, once we have a motivating idea, we are committed to delivering that idea with flawless execution – delivering on time and on message. And we understand that, in these economic times, clients need their agencies to have the ability to respond faster, be more nimble and deliver more efficiently. TM has processes in place that deliver on that – time and time again. The best thinking and ideas don't make a difference if they are not flawlessly executed quickly and efficiently.

## CONNECT: Connect Ideas and Actions Across Communication and Customer

Next, we must connect our idea and our actions.

We must not only create our story, but we must also integrate it into the fabric of our consumers' lives. In the increasingly consumer-controlled world, it's not enough to simply tell your story. We must find ways to influence our audience to share our stories – if we are to achieve true success.

We believe creating successful connections with our consumers rests on delivering three things – relevance in what we say, relevance in where we say it and relevance in when we say it.



**What We Say:** In today's world, there are three types of conversations occurring ... and we must manage and connect across all three if we are to win.

- *Brand to Consumer:* We must tell our story in the most relevant and motivating way across all brand-directed media and communication efforts whether it be TV, radio or digital.
- *Consumer to Consumer:* We must learn how to listen to our customers so they are telling the story we want others to hear. We must create conversations through social media such as Facebook and Twitter and find ways to influence this consumer dialogue for brand success.
- *Consumer to Brand:* We must be responsive to consumers – recognizing and reacting to their feedback whether it be reviews, ratings or the complaint line, to ensure stories shared are stories of success.

**When We Say It:** We must tap the consumer mind-set at the point in time and place where they will be most receptive to our message. We must understand their lifestyle, their behaviors and their actions to find the most relevant aperture for our message.

**Where We Say It:** We must identify the optimal media vehicles and optimal dayparts that reinforce our message to our audience. And then we must integrate our message into them.

## **CALIBRATE: Optimize with Measurement and Continuous Improvement**

The innovative ideas and marketing campaigns we deliver are only as good as the business results they produce. Because not every idea will yield the same return, we must always evaluate and understand the impact on the markets in which our clients do business and on the target audiences we want to motivate.

We use a variety of metrics and methodologies to measure and optimize. These include both measurements and metrics conducted while efforts are in-market as well as extensive post-wave measurement and analysis.

## **COLLABORATE:**

And we do all this grounded in a strong commitment to collective collaboration. It is our belief that one can only create an effective marketing program that is seamlessly unified across all touch points when it is built from a foundation of collaboration. That is why we identify a seasoned account leadership team for our clients that knows how to bring the right resources to the table at the right time – unifying them seamlessly to create and deliver ideas that drive our clients' businesses. And by having the right people at the table at the right time – we can deliver this innovation, in both strategy and execution, efficiently and effectively for maximum client success.

This collaborative approach with our clients is rooted in a three-pronged approach:

### ***1. Philosophical alignment***

We feel clients pay agencies to build their business – and the greatest successes are born from a strong working partnership between agency and client. We see ourselves as members of our clients' marketing teams, not simply a vendor to them. With a seat at the table and your marketing problems embraced as our own, we're able to build insightful strategies and communications that have maximum impact in the marketplace.

### ***2. Process alignment***

The agency strives to mirror our internal processes against the client's existing decision-making protocol in order to ensure efficiency of time and money. And we ensure our partners are aligned against this protocol as well. These processes include ongoing key items such as communication, review/approval, budgeting/billing and reporting.

### ***3. Physical alignment***

It's important that the agency team be organized in alignment with the client's marketing structure – whether by region, discipline, etc. – so clients have an agency counterpart with accountability and expertise on their area of the business. The agency should also be organized to reflect the client's working culture. For example, if a client is extremely fast-paced with decisions debated and made in the hallways

on a daily basis, it's often beneficial to place an agency representative on-site so that advertising counsel and communication of decisions to the agency occur at the same speed as the client culture.

**8.1.2** *Introduction. The Texas Lottery's product mix consists of instant (scratch-off) and online (ball drawing) games. The Texas Lottery introduces approximately 85 instant ticket games annually ranging in price point from \$1 to \$50, which account for approximately 75% of overall Texas Lottery sales. On-line (ball drawing) games (i.e. PowerBall, MegaMillions, Lotto Texas, Cash Five, Daily 4, Pick 3 and Texas Two Step), range in price point from \$.50 to \$2 including add-on features and account for approximately 25% of Texas Lottery sales.*

TM Advertising has read and understands this information.

**8.1.3** *During fiscal year 2011 (September 1, 2010–August 31, 2011), sales of Instant tickets totaled \$ 2.80 billion with approximately \$209 million coming directly from the Holiday suite. As with many retail products, the holiday season represents an important sales period for the Texas Lottery. Holiday Scratch-offs are a key component of the product portfolio offered to potential customers during this period. The Texas Lottery introduces a variety of holiday scratch-offs at various price points (\$1, \$2, \$3, \$5, \$10 and \$20) to appeal to a wide variety of potential customers.*

*The product goals for the holiday suite are:*

- (1) Provide an appealing selection and variety of products for existing customers.*
- (2) Encourage product trial for new or lapsed players.*
- (3) Position the products as the perfect holiday gift.*

TM Advertising has read and understands the product goals of the campaign.

**8.1.4** *The Assignment. Each Proposer shall create and submit as part of its Proposal an advertising campaign designed to increase awareness and trial of Holiday Scratch-off products for both the general and ethnic markets. Each Proposer must consider and provide information in regard to how the campaign will execute successfully against the Texas Lottery's product and campaign goals. The Texas Lottery's core audience is all Texans between the ages of 18 and 49.*

*The creative response, at a minimum, should include:*

**(a) Advertising Strategy**

*A solid and comprehensive strategy should be developed that addresses the assignment and meets the marketing objectives. The strategy should reflect a thorough understanding of Texas – its demography, its history and its current status as a minority-majority state. The strategy shall be grounded in and substantiated by research. Proposers are encouraged to seek additional quantitative and qualitative research.*

At TM, we begin all assignments by defining the opportunity and the imperatives we believe are critical to success. In the case of the Lottery, these are as follows:

## **The Opportunity**

Tap into the universal behavior of gift giving to drive increased brand relevance by:

- Giving current users a reason to buy – thereby driving incremental revenue
- Giving lapsed and non-users a reason to try – thereby driving trial and new revenue

Elevate the stature of the lottery by reinvigorating the fun of the game through the fun of the holidays.

Ultimately extend gift giving to other occasions beyond holiday to drive incremental business year-round.

## Key Imperatives

We also believe there are five key imperatives to creating a successful campaign for the Lottery. These are:

### ***1. Create top-of-mind awareness of scratch-offs as a holiday gift idea***

This campaign must put scratch-offs on the “hit list” of holiday gift ideas. According to the Q4-11 Quarterly Brand Tracking Report, the unaided awareness of scratch-off games is a relatively low 36%. This campaign must not only increase awareness of scratch-offs, it must make scratch-offs top-of-mind when Texans are looking for and purchasing holiday gift ideas.

### ***2. Break through the unusually high level of clutter of the holiday season***

Not only does the Texas Lottery need to create top-of-mind awareness, it must do this in one of the most cluttered time periods of the year. The message must be so compelling and the media so well targeted that it can break through the onslaught of competing gift-giving messages.

### ***3. Create relevancy across diverse audiences of Texas***

We recognize Texas is a minority-majority state, where minority values are shaping the culture more than ever. It is in this “New America” that the traditional “multi-cultural” approaches are limited and outdated. One’s identity is not singular, but multiple and iterative – each person is a mosaic. We achieve relevancy by understanding contemporary culture, the context in which consumers understand themselves, their relationships, their place in the world and how they make decisions.

Our approach should portray a real-life representation of Texans. Understanding their multi-identities, we have an opportunity to define our diverse audience by what they have in common, advocating culture nuances versus racial segmentation.

### ***4. Instill a new behavior and/or reawaken the behavior with previous scratch-off gift givers***

To be successful, this campaign must motivate and compel holiday gift givers to purchase scratch-offs instead of the wide spectrum of already clearly established alternatives.

- It must remind those who have given scratch-offs as gifts in the past to give them again
- More challenging, it must instill this new behavior in those who have never thought of scratch-offs as a gift option

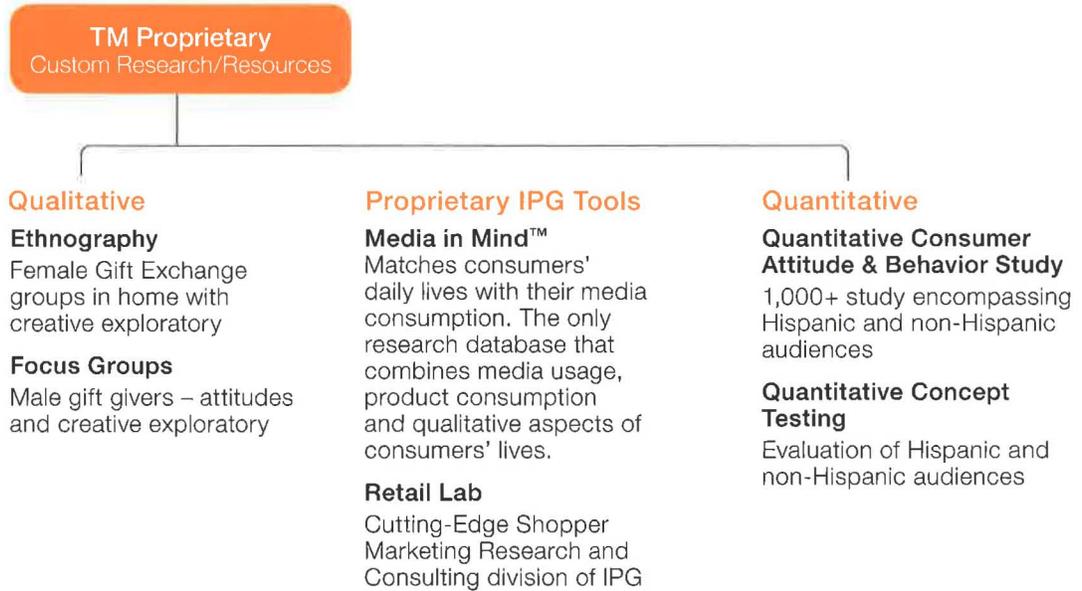
### ***5. Create more impact with flat dollars***

Lottery spending has remained stagnant. As a result, the creative and media plan must bring thought leadership in both insight and innovation – to make each dollar work smarter and harder.

Now let us walk you through our process and recommended advertising strategy for the Lottery assignment.

## COLLECTION: Category and Brand Knowledge

Before we get into how we used our process to address the Lottery challenge, we want to share with you a snapshot of the deep immersion we conducted on the consumer, the brand and the market landscape as part of this assignment. Below is a recap of the data we analyzed, the resources we tapped and the proprietary custom research we conducted as part of this assignment.



Now let us take you through the collection process as it relates to the Lottery.

After defining the opportunity, we immersed ourselves in your audience, the holiday gift-giving category and the motivations and drivers of the Lottery and scratch-off games specifically.



### TM's Proprietary Media in Mind™

- We tapped into our proprietary *Media in Mind*™ – a continuous research program that matches consumers' daily lives with their media consumption. It is the only research database that combines media usage, product consumption and qualitative aspects of consumers' lives such as environment, activities, attitudes, values and lifestyle.

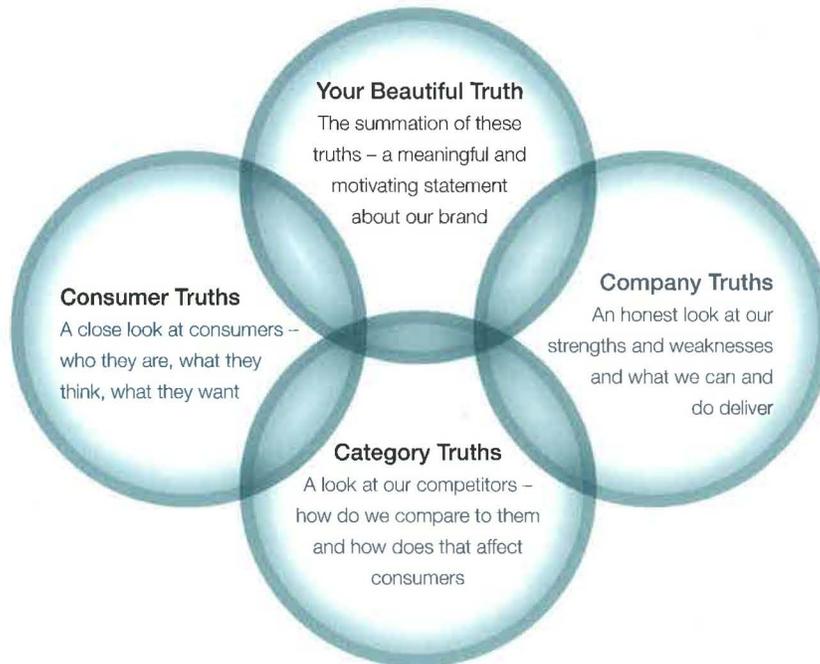
### Convergence – Strategy Development

With our collection phase complete, we next moved into the convergence or strategy development phase.

As mentioned earlier, at TM we firmly believe that to truly find the best strategy you must find your core truths – the honest and ownable truths about the consumer, the marketplace and the brand and what it delivers.

It is in the convergence of these truths that the single most compelling message lies – a message that is motivating, differentiating and uniquely ownable. A message that, when properly leveraged, can drive relevance and revenue for the Texas Lottery.

### discovering your Beautiful Truth



To develop the communication strategy for the Lottery, we developed the core truths ... and out of these truths, we defined the core message against which all efforts would be executed and evaluated.

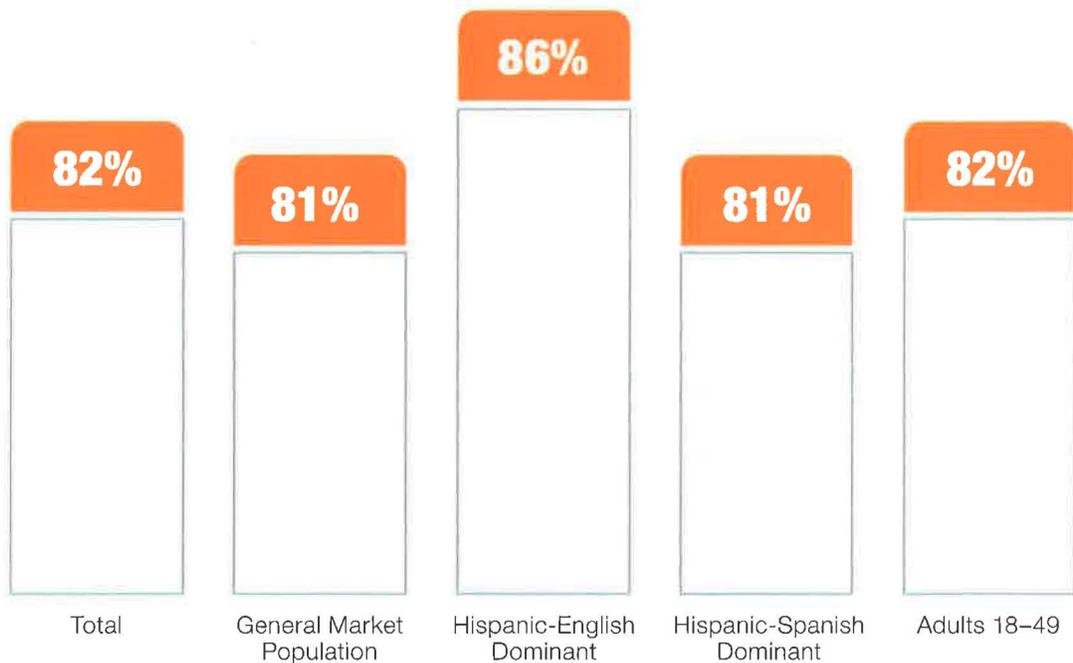
## CATEGORY TRUTHS

### 1. Gift giving – a universal need

Gift giving is a universal behavior at the holiday season – buying gifts for others is an action taken by almost all. However, the Lottery competes in a specific and very crowded niche of gift giving – the \$20 and under gift category.

\$20 and under gifts are mass and mainstream. With numerous \$20 gifts often needed, selection often becomes dependent upon exposure to gift ideas, and immediate access to shopping channels. At the mercy of available options, one often “settles,” choosing “easy over effort.”

### Purchased a Gift Under \$20 (for someone over 18)



### 2. Gift cards have become the universal answer to this \$20 and under market ... but have also become universally bland.

Gift cards have become the gift of choice for many in the under-\$20 price point due to the fact they are easy to get and easy to give.

In fact, according to a report by First Data Corporation, more than half of consumers in the United States bought at least one gift card for the 2010 holidays. With consumers increasingly time-starved and budget-constrained, gift cards make an ideal option.

- 83% of respondents in their U.S. study purchased a gift card because it “made gift giving easy,” and more than 50% said they did so because they “save shopping time.”

Gift cards have become universally available – with more and more picking a card up at those stores they are visiting anyway, local grocery and convenience stores.

However, while gift cards may increasingly be a universal answer, their universal appeal and accessibility are making them increasingly less special. They no longer show thought or effort – resulting in dwindling satisfaction for both giver and receiver.

*“I feel guilty when I give a gift card.”*

*“A gift card takes away the excitement.”*

*“...porque es lo mas facil para comprar.” “...because they are the easiest to buy.”*

**3. Price and appeal are perceived to be inextricably linked. The Lottery must break this paradigm.**

There are lots of gifts to consider when you have \$50 to spend but lackluster choices under \$20. For \$20 you can create a laundry list of options but find few that inspire.



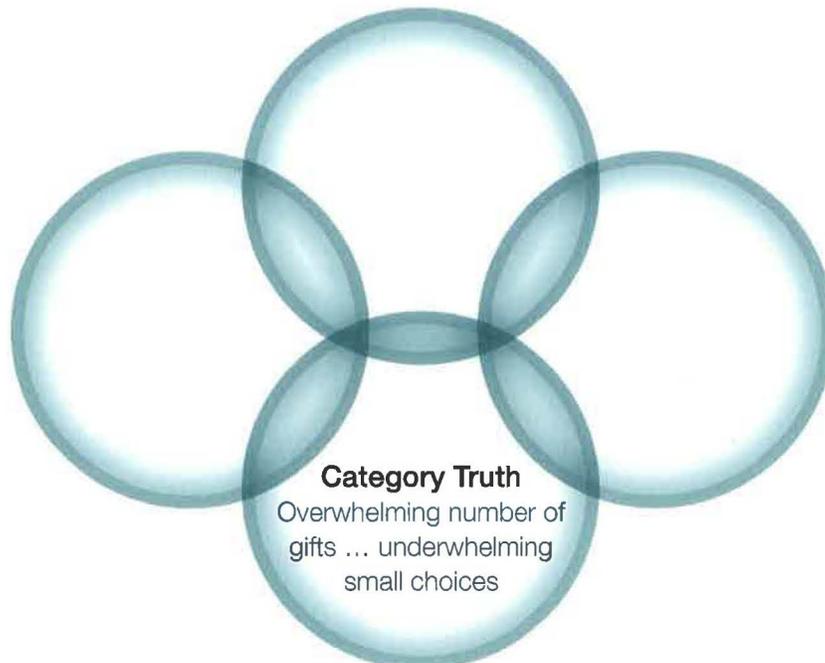
In fact, when we asked gift-giving Texans, including both Hispanic and non-Hispanic, to describe gifts over \$50 and gifts under \$20, there was clear separation.

Under \$20	Over \$50
Practical Basic Spur of the Moment Functional Gag gift	Thoughtful Appealing Exciting Surprising Unique A Splurge Successful

Quantitative Study of Texans (includes General Market, English Dominant Hispanics and Spanish Dominant Hispanics)

The challenge for the Lottery must be to break these perceptions – to fill the untapped niche of under-\$20 gifts by making scratch-offs a gift that inspires excitement, surprise and thoughtfulness while still being easy and accessible.

### Category Truth



## CONSUMER TRUTHS

### 1. Women are the COO of holiday gifts; men are a bit more gift challenged

Gift-giving behavior is quite different between women and men. Women are the COO at the holidays. They are the managers of the holiday plans, the to-do list and the usually long, all-important gift list. In contrast, men have the usually short must-buy list.

- Women often enjoy the “hunt.” They actively seek options and choices, as this elevates the anticipation and validation of their effort and ingenuity.
- Men want the assurance of a big hit gift, but desire less effort. When it comes to the holidays, they put off gift buying because they don’t know what to buy and they get no reward out of the shopping process.

#### Women

*“I start planning in August ...”*

*“The bulk is done by Black Friday but I still have to go back out for more.”*

*“Black Friday is opening day of shopping season.”*

#### Men

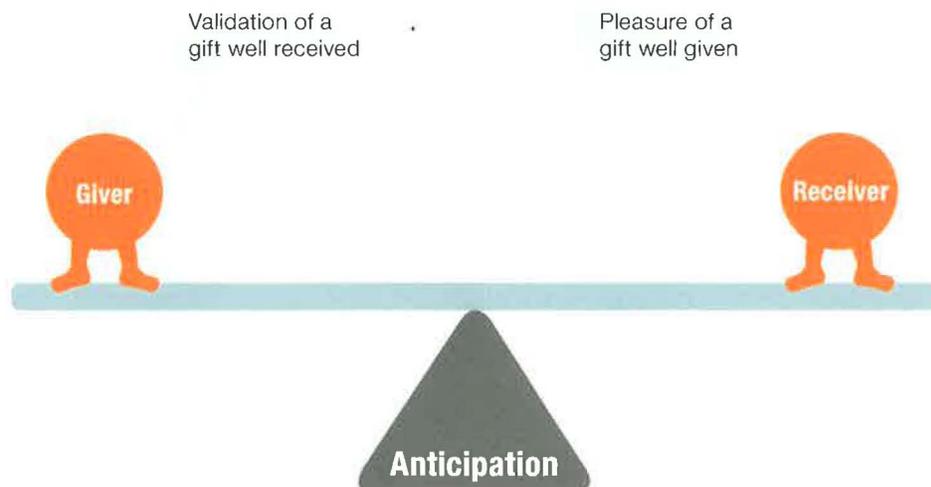
*“It’s a headache.”*

*“It’s more of in and out for me when I go. Displays help.”*

*“I might even just grab the gift on the way to the party or to meet the person to exchange gifts.”*

*“¿Las esposas compran los regalos?” “Do your wives pick the gifts?”*

### 2. The anticipation of both giving and receiving a great gift is the emotional high for all



While women and men may approach things differently, the emotional gratification of gift giving is the same for all.

When it comes to gift giving, consumers invest time, money and thought because, in the end, what they want is the satisfaction that comes from giving a great gift.

Gift giving is about finding that present that's "a hit," the present that generates excitement and surprise, thereby validating the giver. In fact, it's that reciprocation of the receiver who, in turn, anticipates the unwrapping of the gift and the pleasure of the gift inside that givers love to see.

*"I know I gave a great gift when the person's reaction is excited."*

*"I know I gave a great gift when I get a genuine smile or excited (good) reaction or when the person just can't put the gift down after receiving it."*

*You can even feel like you are receiving by seeing others' reactions.*

*"Yo creo que es el orgullo de dar algo que les guste. Que lo abran y que se sorprendan." "I think it's the pride of giving something that someone is going to like, that they open and that it surprises them."*

## What's Important in Making a Gift a Success

### Top Box

	Total	Male	Female	General Market	Hispanic English Dominant	Hispanic Spanish Dominant	18-49	
Validation of Giver	Feeling good about giving the gift	63	59	65	61	67	53	63
	Seeing the reaction when they open it	54	49	58	51	60	52	56
Pleasure of Receiver	Fun experience	44	44	44	42	49	32	45
	Has an element of surprise	37	41	35	34	44	35	38
	Unique	34	32	36	33	35	28	35
	Reactions from others while the gift is being opened	30	30	29	27	37	36	32
	Easy to pick up	30	28	31	27	37	29	31
	Universal, good for any gift-giving occasion	23	21	25	22	27	28	25
	An added touch to complete a gift	24	23	25	22	29	23	27
	Low cost	19	15	22	16	25	37	20
	Expensive or a splurge	7	8	6	5	11	11	8

What elevates the “value” of a gift for both giver and receiver is surprise and unexpectedness.

- According to a study done by Barbara Mellers and Phillip Tetlock, Wharton Marketing professors, “What increases sentimental value is surprise. Pleasure was greater for unexpected gifts. Surprising gifts amplified enjoyment for both large and small items.” *Surprise and the Value of Gifts: Why Christmas is Not a Deadweight Loss*

### **3. Cleverness trumps cost**

When a gift is clever, it doesn't matter the cost – as the value to the receiver is in the thought and ingenuity, not in the dollars spent. In today's frugal environment, consumers are increasingly getting credit for creativity – allowing them to trade cleverness for high-cost glitz.

And, at the holidays, when gifts are often given at gatherings and in groups, this cleverness creates a gift idea with infectious appeal. A great idea is not only appreciated, but also one which is quickly copied by others – turning recipients into givers as well.

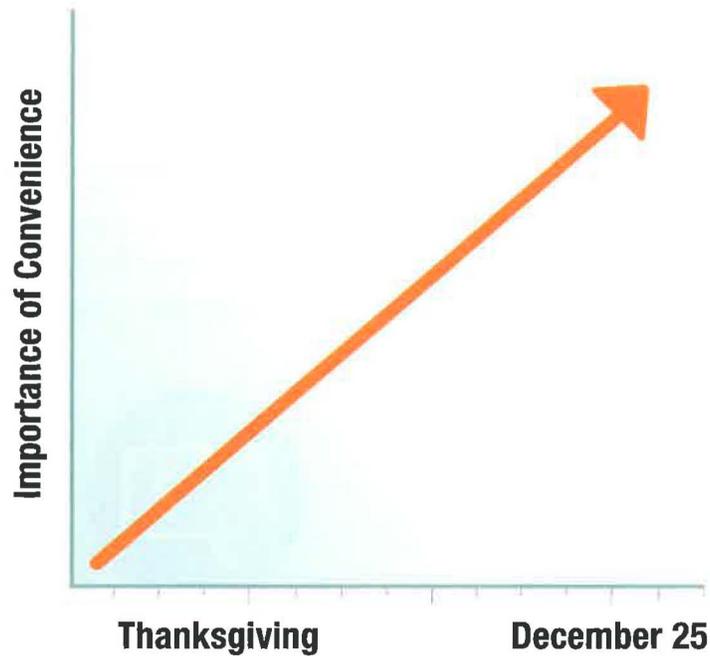
### **4. Experience is today's currency**

As the economic turmoil continues, consumers are increasingly finding pleasure in gifts that allow for an experience vs. gifts of material worth. In fact, the tyranny/“ruling” of value in the marketplace has led to the emergence of a new value equation, where personal value (cost per entertainment hour) is far greater than the traditional understanding of value (product + quality + price). While material items lean toward a left-brain mentality of “value,” experiences draw on the right-brain realm of fantasy, imagination and emotion. These are the gifts with high impact.

And because the holidays are often times of togetherness and gatherings, gifts that are inherently “experiential” can fully tap this trend.

### 5. Convenience ultimately reigns

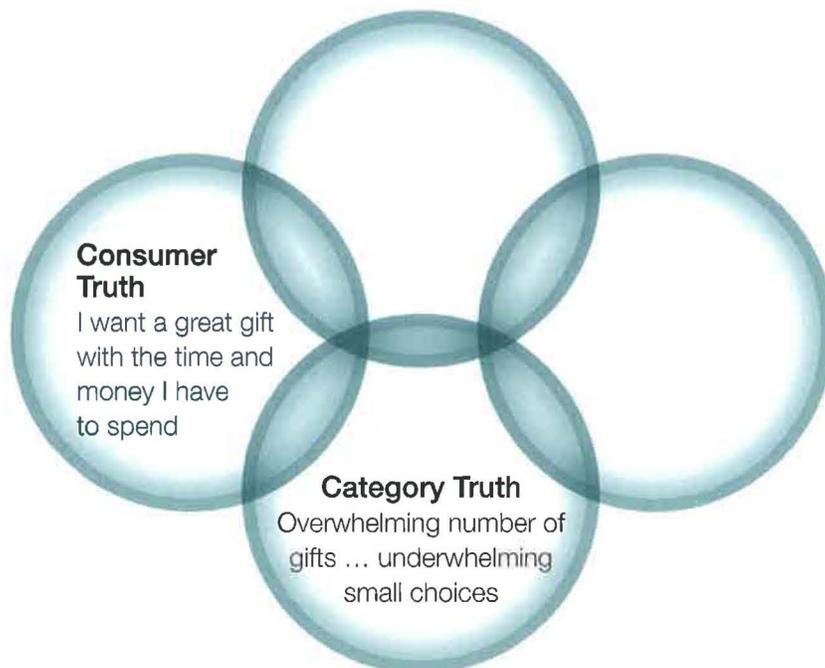
Whether one enjoys the hunt or not, as the holiday crunch sets in, time and speed ultimately prevail.



Fast, easy and effortless (particularly for men) can trump the harder to find or more time-consuming gifts. To win the war at the holidays, the Texas Lottery must leverage its simplicity and accessibility to lock in the sale.

*“For \$20 range, go to the display and grab and go.”*

### Consumer Truth



## BRAND TRUTHS

Last, we must define the truths of the brand. In the case of the Texas Lottery, these would be the universal truths around the Lottery and scratch-off games.

### 1. Anticipation – The intersection of gift giving and the Lottery

There is a natural intersection of the Lottery and gift giving and that is that both are overwhelmingly driven by anticipation. However, currently the consumer doesn't draw this connection.

The anticipation that comes from playing the Lottery is inherently understood – it is the emotional benefit that draws one to play. It is also this same emotional benefit that can make the Texas Lottery, and scratch-offs in particular, a perfect holiday gift.

### 2. Scratch-offs – a triple dose of anticipation – guaranteeing a big hit gift



**1** Anticipation of unwrapping a gift



**2** Anticipation of scratching a scratch-off



**3** Anticipation of the possibilities

Scratch-Offs not only deliver anticipation once, they deliver it multiple times. They may be a quick hit, but the impact is high.

- The anticipation when unwrapping the gift
- The anticipation of scratching the card – extending the fun and excitement even after the gift is open; in fact, scratch-offs are truly the only gift you get to unwrap twice
- The anticipation of the possibilities

And for the giver, the anticipation of watching this process and validating their choice and themselves.

In fact, the multiple layers of anticipation were clearly played out in our ethnographic groups, where we held gift exchange parties in people's home. The scratch-offs, wrapped as gifts, were repeatedly "stolen" time and time again – becoming the must-have item in a sea of options. They were the gift women couldn't resist because even after opening, there was still the element of surprise and excitement left to be traded – both in the play of the game and in the possibilities of what the game could bring.

The Texas Lottery must create this connection in the minds and hearts of Texans – linking the anticipation offered by scratch-offs to that same anticipation consumers want, yet rarely find, when selecting a gift under \$20.

***"I'm sitting here dying to scratch them off." (quote from the person who ultimately ended up winning the scratch-off tickets in the gift exchange)***

***"It's an instant thrill, even if you don't win."***

*“No sabe uno que se va a sacar.”  
“You don’t know what you’re going to scratch.”*

### 3. Scratch-offs – not only bring fun but also accessibility – to seal the deal

Scratch-offs not only offer excitement and fun but also the accessibility consumers need in the time-crunched holiday. They are accessible “where you are” and “accessible for anyone,” as they come in values ranging from \$1 to \$20 or any desired combination.

And together this is a winning combination – across all of our diverse audiences. In our quantitative research, “fun experience to scratch off” and “easy to pick up” were the factors seen as most important in giving scratch-offs at the holidays. The range of price options was also critical for those who embrace scratch-offs as a gift, suggesting that this can also be a strong leverage point to trump competitive low-cost gift options.

*“Cheap fun.”*

*“Getting and giving a scratch-off is easy – all the gas stations have them”*

## Importance of Holiday Scratch-Off Attributes

### Top Box

Top Box Importance	General Market	Hispanic English Dominant	Hispanic Spanish Dominant	Other	Gift Giver General Market	Gift Giver Hispanic English Dominant	Gift Giver Hispanic Spanish Dominant
Easy to pick up	38%	49%	47%	46%	52%	63%	54%
Fun experience to scratch off	30	36	48	26	43	48	55
Options ranging from \$5 to \$20 dollars	24	33	46	28	33	42	53
A good last-minute gift	21	28	38	26	33	39	47
Available in a range of holiday themes	16	25	37	12	24	31	39
Good for any gift-giving occasion	16	27	34	24	24	37	41
An added touch to complete a gift	11	25	38	8	17	32	48
Make a nice alternative to a gift card	9	14	41	10	13	18	51

### 4. Scratch-off gift givers can elevate the Lottery brand perceptions

In our quantitative research, we found that many of the qualities associated with scratch-off players are the same wonderful emotions one hopes to convey at the holidays – optimism, enthusiasm and wishes for happiness and good fortune.

We believe that by tapping into these emotions, we can not only reinforce your desired personality (a brand that makes you look at life optimistically: the glass is

always half full. It's friendly, light-hearted, energetic and fun!), we can also further elevate it among both new and old players alike.



People who give scratch-offs as gifts.

Optimistic  
Fun  
Dreamers  
Enthusiastic  
Think Big



People who don't give scratch-offs as gifts.

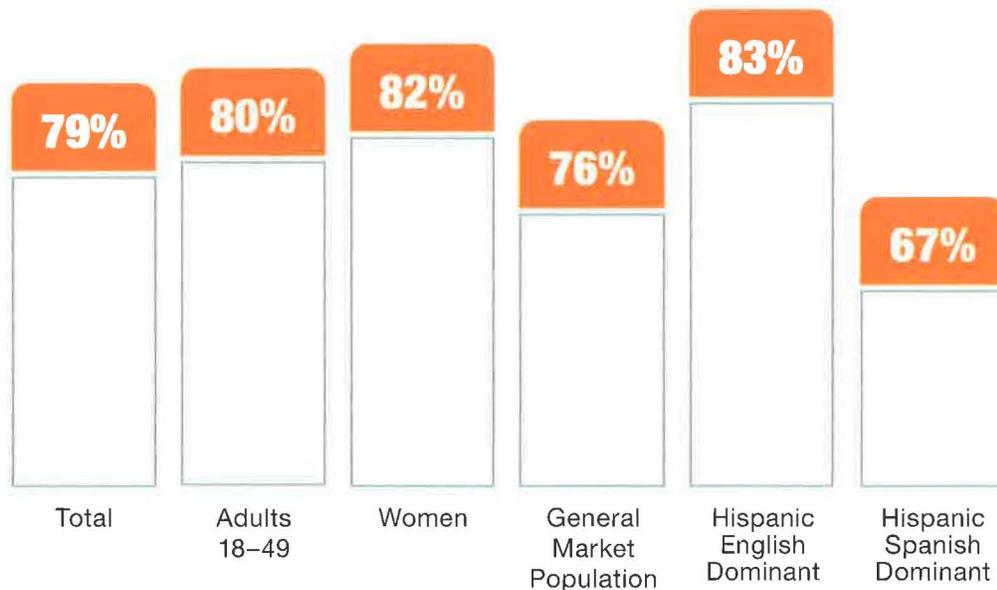
Practical  
Pessimistic  
Traditional

**5. But they don't buy what they don't know ... scratch-offs must be on consumers' radar**

According to our quantitative research, conducted among both Hispanics and non-Hispanics, 80% of consumers age 18-49 find scratch-offs to be not only a good idea but one fitting many of their gift-giving needs.

**Scratch-offs Make a Good Gift**

(Top 2 Box)

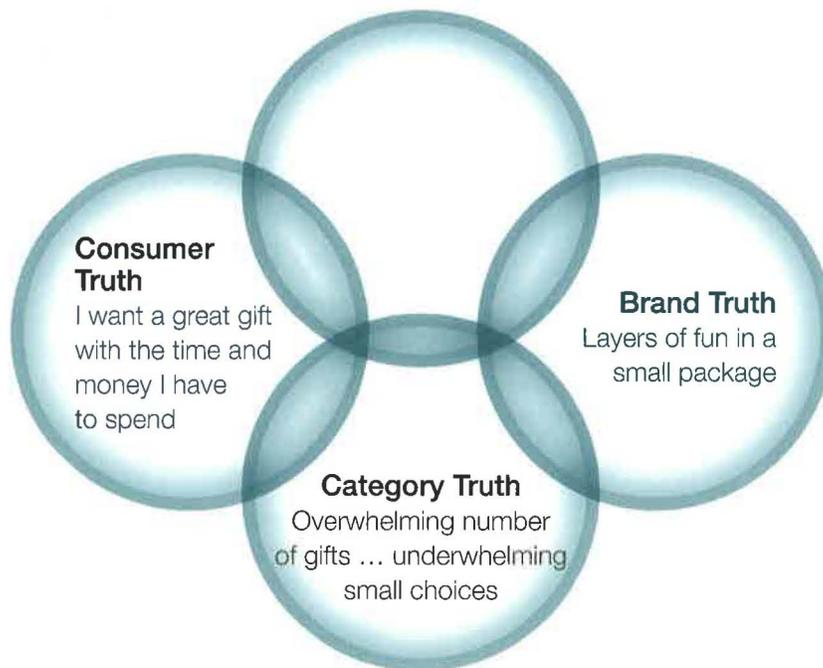


The issue is not relevancy. The issue is that many do not think of them this way. We must instill this behavior and keep it top-of-mind during the highly cluttered and highly competitive holiday season.

### Why Haven't You Given Scratch-Offs as a Gift?

	General Market	Hispanic English Dominant	Hispanic Spanish Dominant	Other
Never thought of it	50%	63%	83%	78%
It isn't a gift that lasts	21	23	16	17
It's not a physical/tangible gift	19	18	11	9
My friends/family wouldn't like it	13	11	7	4
Make people think I didn't really care	13	16	6	4
I would feel bad if they didn't win	13	16	15	13
Make people think less of me	9	11	4	-
I would feel bad if they won and I didn't	7	6	10	4
Other	15	7	1	4

### Brand Truth



## CONVERGENCE OF TRUTHS

We then looked for the convergence of these truths and developed several expressions of that convergence in consumer language. Next, we went to consumers to confirm the most powerful expressions.

Two key statements (“fun to give and fun to get” and “small effort/big reward”) received extremely strong top two box scores. And, importantly, high scores were received across each of our diverse audiences.

### Reasons People Purchase Holiday Scratch-Offs as Gifts

#### Top 2 Box Agreement

	General Market	Hispanic English Dominant	Hispanic Spanish Dominant	Other	Gift Giver General Market	Gift Giver English Dominant	Gift Giver Spanish Dominant
Fun to give and fun to get	65	78	52	70	86	88	65
Small effort, big reward	65	77	54	64	85	87	69

By combining the two top statements, we crafted the most motivating Beautiful Truth. A truth we believe feeds on itself by attracting consumers to give scratch-offs as gifts and then, in turn, convert those who receive scratch-offs into givers of this gift. And on and on and on ...

### Your Beautiful Truth



## Texas Lottery Creative Brief

### *Communication objective:*

Drive top-of-mind awareness of the Texas Lottery Holiday Scratch-Off games as a great gift idea during the holiday season.

### *Who are we talking to?*

Women 18+ (Primary Target)	Men 18+ (Secondary Target)
<p><b>The Holiday COO</b></p> <p>They are the managers of the holiday to-do list. When it comes to the gifts they give, they get the greatest satisfaction from giving a gift that's clever, creative and unexpected.</p> <p>The anticipation of the reaction to the gift is the "emotional high" – it's about finding that gift that creates excitement and surprise, thereby validating their effort, ingenuity and ultimate gift choice.</p> <p>It's more about the recipient reaction than the money spent: clever trumps cost.</p>	<p><b>The Gift-Shopping Challenged</b></p> <p>Men who want the assurance of a "big hit" gift with less effort.</p> <p>When it comes to the holidays, they put off gift buying because they don't know what to buy and get no reward out of the shopping process. Whatever they choose, they want the assurance of a great reaction that validates the choice they made.</p> <p>For them, convenience reigns – fast, easy and effortless drive their ultimate selection.</p>

### *What do they think now?*

They just don't think of scratch-offs as an option when it comes to holiday giving.

### *What will we tell them to get them to behave differently (key idea)?*

**Holiday Scratch-Offs from the Texas Lottery are small gifts that are always a big hit**

### *Why should they believe?*

- Big hit = the only gift you get to unwrap more than once – creating greater anticipation
  - Multiple layers of anticipation for the giver and the receiver
    - The anticipation of giving/receiving a gift
    - The anticipation of scratching the card – extending the fun and excitement
    - The anticipation of the possibility of winning
- Small gift = simple, affordable, easy
  - Simple yet unexpected – making them fun to give and to get
  - \$1, \$2, \$3, \$5, \$10 and \$20 – very affordable as a gift or as an "add-on" to a gift
  - Easy to grab while you're out and about
    - At the convenience store while getting gas or snacks
    - At the grocery store while buying food

### *Tonality of message*

Anticipatory, exciting, optimistic, fun

## Connect

Now we have our message.

Next, we must take the rich contextual information we have on our target to define the most salient points of interruption with our message. In essence we must create a path to purchase or, in the case of the Lottery, the path to play, intercepting and disrupting consumers as they both mentally and physically move through the holiday season checking off their holiday list.

And we must do this recognizing that the path to purchase is quite different for our female COO and more gift-challenged male.

## Meet Maria:

When it comes to the holidays, Maria is a real planner. Starting November 1, sometimes even earlier, she starts making her mental list – the who I have to buy for list. It's not complete, but she's got a good start – she knows her husband and even her kids will add some names over the coming weeks.

By mid-November, with her list in her day planner, she is making mental notes of ideas. She is browsing the Internet, watching the "what's hot" lists and listening to those around her for ideas. She has a lot of little gifts to get – the gift exchange with moms from the school, a secret Santa at work and gifts for the teachers and for some of the people at her husband's job.

Black Friday comes and it's off to the races – she starts to pick up some of her big gifts ... and maybe a few of the littler ones, if something grabs her attention. She likes to get at least some of these bought and wrapped and ready to go as the parties start by early December.

By the second week of December she's in constant motion – racing in her car – frequent stops at the discount store, the ever-crowded mall and the neighborhood grocery store – stocking up for the family that's all come home for the holidays. The fun of the gift hunt has started to wane, the stress is building and her to-buy list is still too long. The last day for online orders is over today, so she is scrambling to get at least the big items knocked off. While she wanted to be clever, she is feeling out of time and may just have to settle – at least for a few items. She wanted to be thrifty but may have to opt for the pricier gift, as she doesn't want it to look like she hadn't given her presents enough thought. Time is out. It's down to the wire. She grabs what she sees to finish the task, wraps and delivers.



**Let's meet Maria.**



### **Meet Joe:**

In early November, Joe has no list ... doesn't even want to think about it. Come Black Friday, he'll go out if there's a sale on something really big – the TV, the computer or the bike for his son. He hasn't even begun to think about the little gifts.

By early December, there's still no list – and he has no ideas, but no worry – in Joe's mind, there's still plenty of time. Come mid-December, Joe begins to acknowledge there are some gifts he just can't get out of giving – like the ones for the people at his office. But he still has no ideas, so he puts it off again. Just one week from having to have his gifts, he heads out – not with a list, but on a hunt. He's going to hit the stores he normally goes to anyway, or the ones he likes to shop – there must be something he can find. He will do whatever it takes to avoid the mall.

Got one gift but still one to go. He thought about a scratch-off when he saw the signs at the convenience store, but he didn't buy one because, as he rightly admits, "if I bought it, all that would happen is I would scratch it – still leaving me with no gift." It's down to the wire. He will just have to grab the gift on the way to the party – a gift card, a bottle of wine, isn't so bad after all ... is it?



**Let's meet Joe.**



November  
**1**

Joe's list so far

Post-It  
Maria  
Little Joe

November  
**27**

it's Black Friday - crickets.

Joe procrastinates some more:  
"things blowing up are fun"

football's on - woo hoo!

BIKE SHOP

finds a bike on  
sale for his son

buys ~~himself~~ the family  
a new computer from  
the old computer

these places always have  
good stuff - and they're  
not the mall

a bottle of wine and a  
gift card - who  
wouldn't like that?

gas

party time!

sporting goods

electronics store

Liquor Store

7-11



**(b) Media Plan**

*The Media Plan should detail the media, GRP levels and flights utilized to reach the intended audience. Digital media and event promotion details shall be presented here.*

We began developing a strategic media recommendation for the Holiday Scratch-Off assignment by using our channel-agnostic media planning approach. The recommended strategy is designed to generate awareness and encourage product trial using a combination of broad-reaching and point-of-sale tactics. The media mix includes strategic touch points to intercept the audience, while aligning with gift-giving behaviors and leveraging contextually relevant moments during the path to play.

## **Texas Lottery Media Objectives**

Based on the requirements outlined in the Texas Lottery Commission RFP, we have developed a strategic recommendation to meet the following objectives:

- Generate awareness while encouraging product trial among new and lapsed players during the holiday season
- Engage audiences throughout the holiday gift-buying process while positioning scratch-offs as a gift option
- Successfully reach the diverse Texas demography

## **Planning Parameters**

### *Geography*

- State of Texas
  - 20 DMAs
  - 22 MSAs

### *Timing*

- November 1–December 24

### *Budget*

- \$4.40 million (paid media)

### *Audience*

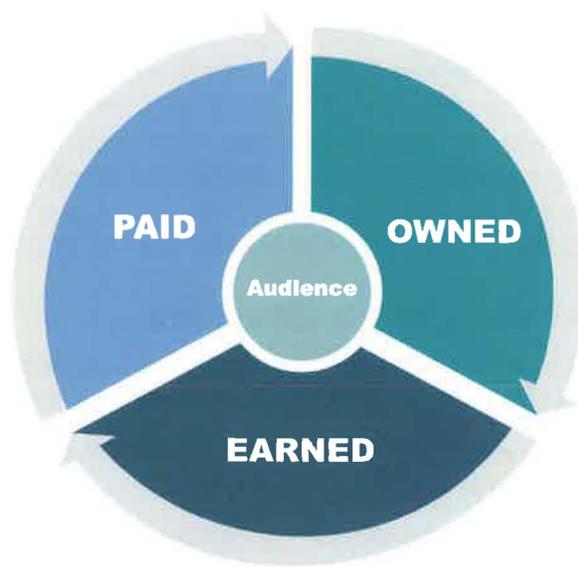
- Adults 18+ residing in Texas

## **TM Strategic Media Planning Approach**

First, we recognize, understand and embrace the collision of traditional and digital media channels and the role communications planning plays in developing relevant campaigns that deliver results across paid, owned and earned channels.

No longer can brands silo efforts into the paid media space as consumers today do not distinguish between paid, owned and earned channels. Maximizing the media investment across owned channels and seeding brand conversations within the earned media space help to enhance the overall effectiveness of paid media.

## Planning Philosophy



As such, our approach to strategic planning is channel agnostic and spans the paid, owned and earned media landscape. We don't simply buy GRPs and impressions. We develop communication and media strategies anchored in a solid understanding of consumer behaviors and insights that help us develop the optimal integrated media mix.

Leveraging a number of planning tools and research resources, we use a six-step process that begins with an in-depth assessment of the market and audience, as well as evaluating the media ecosystem. This process informs the communications and media strategy to help establish the media mix. Identifying relevant performance metrics and establishing a measurement strategy is an equally important part of the process. Our campaigns are measured and optimized on a regular basis to maximize both results and the media investment.

## Strategic Planning Approach



## Media Planning Tools and Resources

TM Advertising subscribes to numerous tools, actually just about every major syndicated service available. Using these resources, we are able to service our clients comprehensively, whether the question is one of rates, audience, competitive media activity, metrics and analytics, and, of course, consumer insights. Additionally, we invest heavily in proprietary research and tools to provide additional depth and learning. Provided below is an overview of some of our planning and performance measurement tools.

SYNDICATED RESEARCH/INSIGHTS TOOLS	PERFORMANCE TOOLS



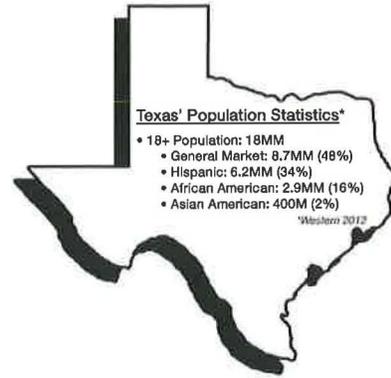
## Market and Audience Composition Analysis

### Market Analysis Overview

Our first step in the planning process is to conduct an in-depth analysis of the market. Today, Texas' population is as diverse and fragmented as the media landscape. Through our research and analysis, we've validated the general market (non-Hispanic white population) accounts for less than half the population, making

Texas a minority-majority state. We recognize that for a campaign to be successful in Texas it is not enough to speak to the general market, but also needs to address the diverse demography.

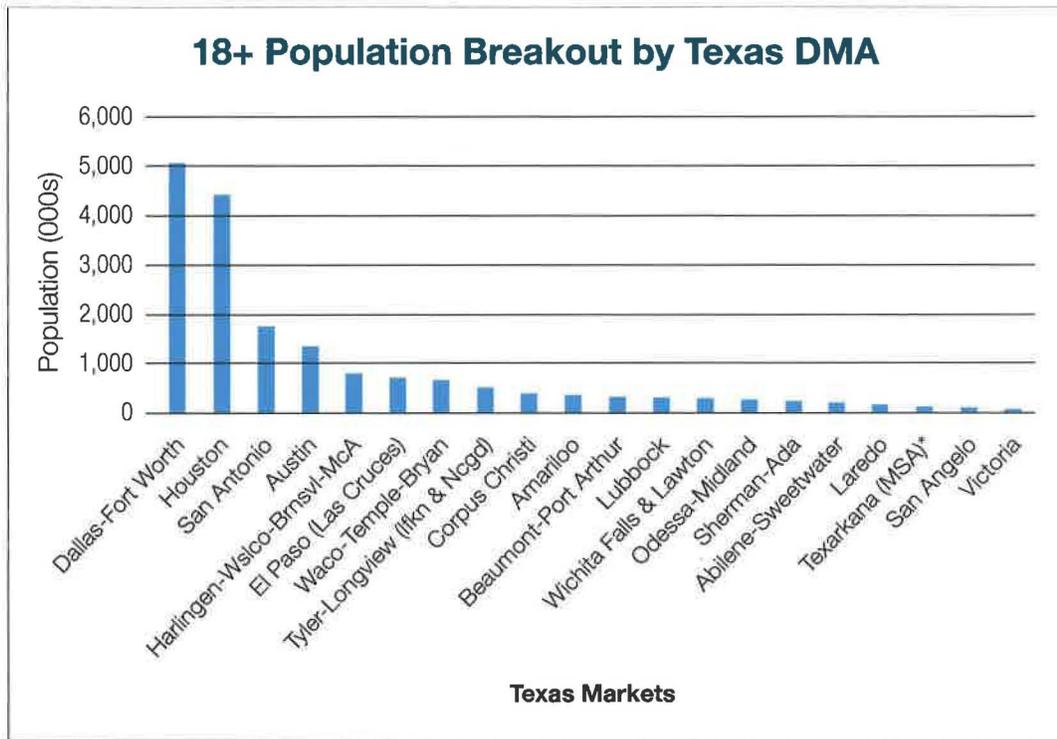
To fully understand Texas' demographic landscape we used Nielsen 2012 universe estimates for each Texas designated market area (DMA) on an individual basis to determine the market's contribution to the overall state.



\*Please note: one market, Texarkana, was analyzed on the metro statistical area (MSA) using Arbitron 2011 data versus the larger Shreveport DMA. This enabled us to analyze just the Texas population within the DMA. For reference, the Texarkana MSA represents 16% of the total Shreveport DMA.

**Key highlights:**

- Four markets – Dallas-Fort Worth, Houston, San Antonio and Austin – account for 69% of the total 18+ population in Texas.
- The remaining 16 markets (accounting for 31%) have populations ranging from 60,000 to 815,000, with the bottom four markets, (Laredo, Texarkana (MSA), San Angelo and Victoria) representing less than 3% of the total population.



### Diverse Population Analysis

We analyzed the 20 Texas DMA's to truly understand their unique composition as it relates to Hispanic, African-American and Asian-American population segments.

The following classification was developed:

**High**  
Accounts for a significant majority of the specific ethnic population (note – composition is not a key factor here)

**Moderate**  
Markets with low overall population, however, the ethnic population represents a large majority of the market composition

**Low**  
Markets with low overall population based on the ethnic population representing a small portion of the market composition

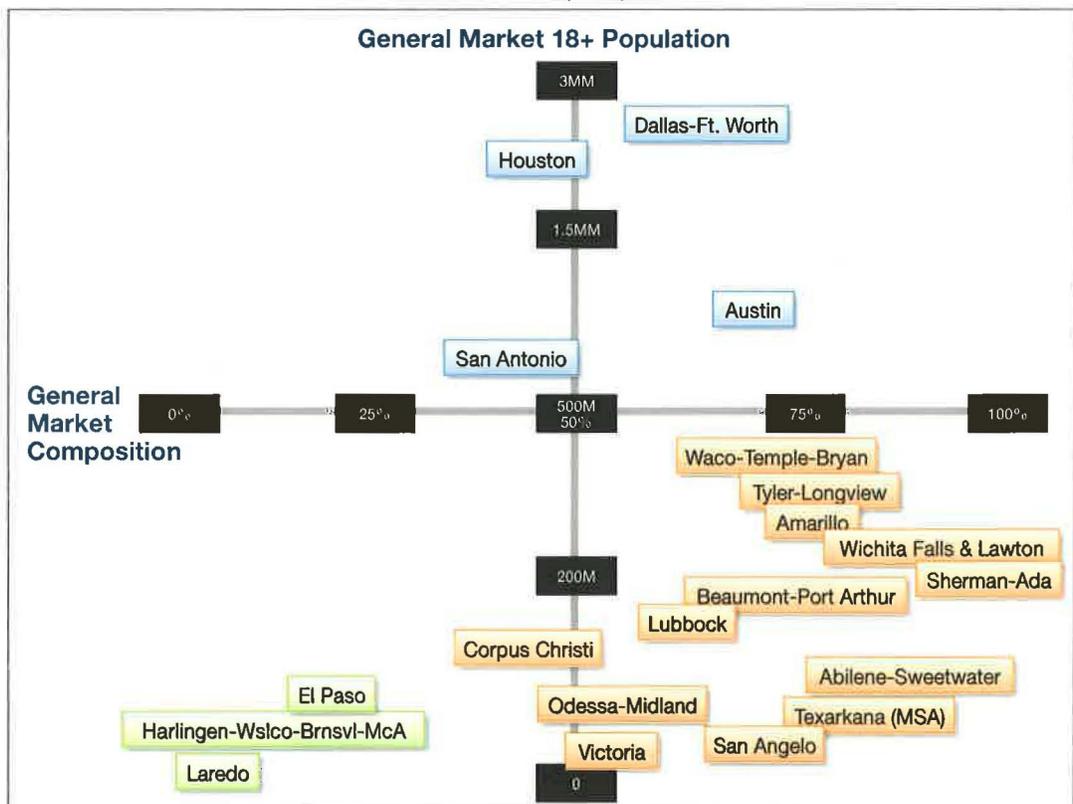
### General Market (non-Hispanic white population)

Overall, the general market makes up 48% of Texas' total 18+ population, accounting for 8.7 million residents.

Texas' General Market footprint is detailed below:



Millions (MM)



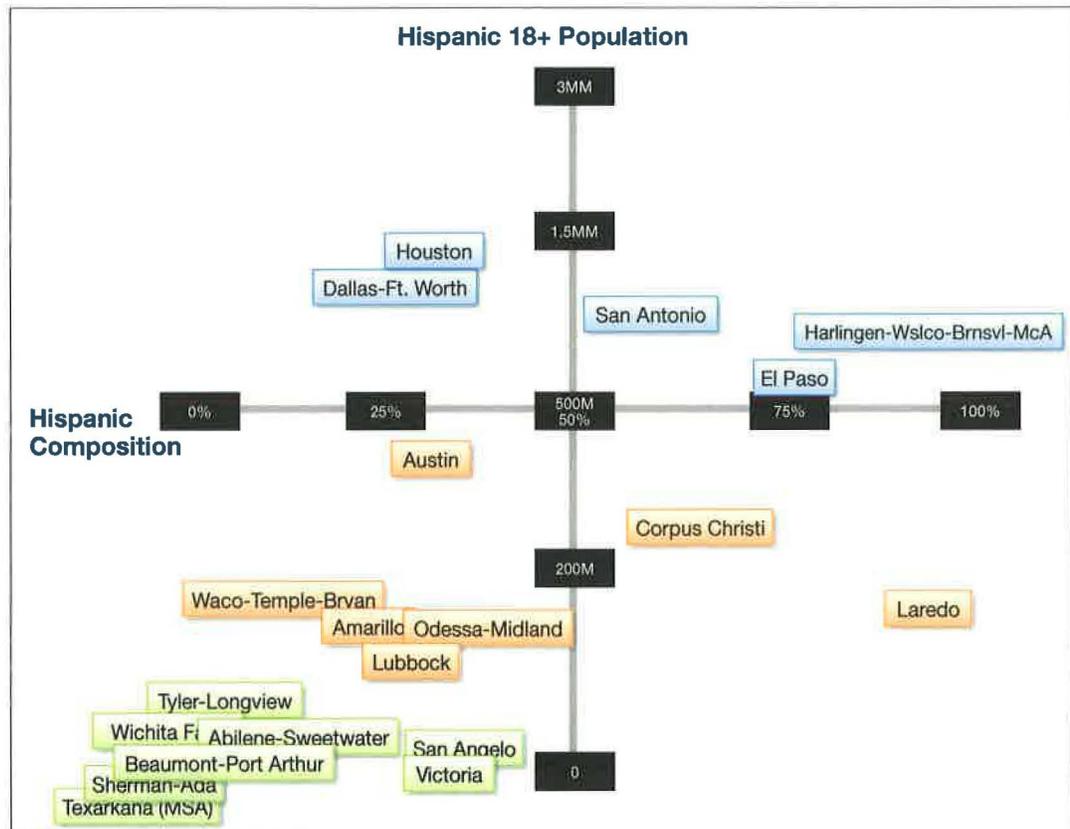
## Hispanic Market

### Key Highlights:

- More than 6 million Hispanics accounting for 34% of 18+ population live within Texas, making Hispanics larger than the African-American and Asian-American populations.
- Notably, more than half (53%) or almost 3.3 million Hispanics in the state are Spanish dominant, according to Arbitron Data, Inc.
- The Hispanic segment is a key contributor to the robust population growth Texas has experienced over the past decade. According to TASA Closing the Gap in Texas 2012, 65% of Texas' growth since 2000 can be attributed to Hispanics.
  - The growth in the Hispanic market is due to both immigration (primarily in border towns like Brownsville and Laredo) and the significant number of Texas-born Latinos across the state.

Source: TASA Closing the Gap in Texas 2012

Texas' Hispanic footprint is detailed below:

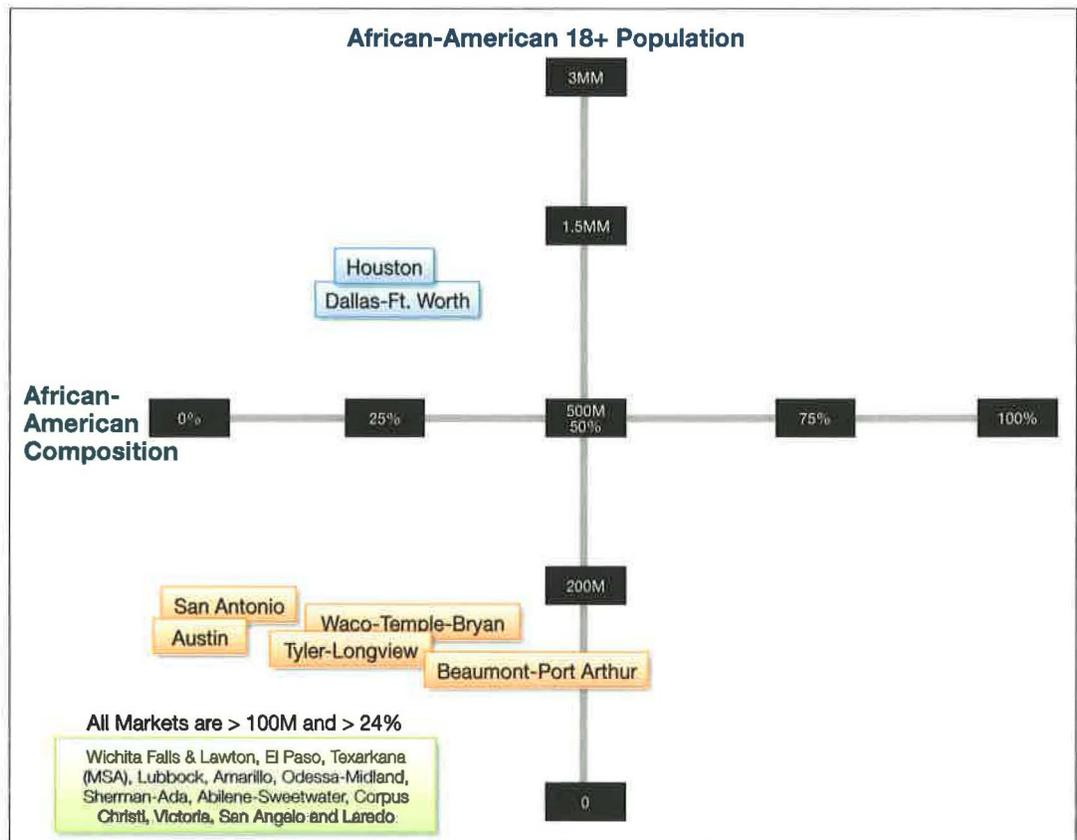


## African-American Market

### Key Highlights:

- The African-American population at 2.9 million accounts for 16% of Texas' total 18+ population.
- A majority, over 80% are concentrated in the top four markets.

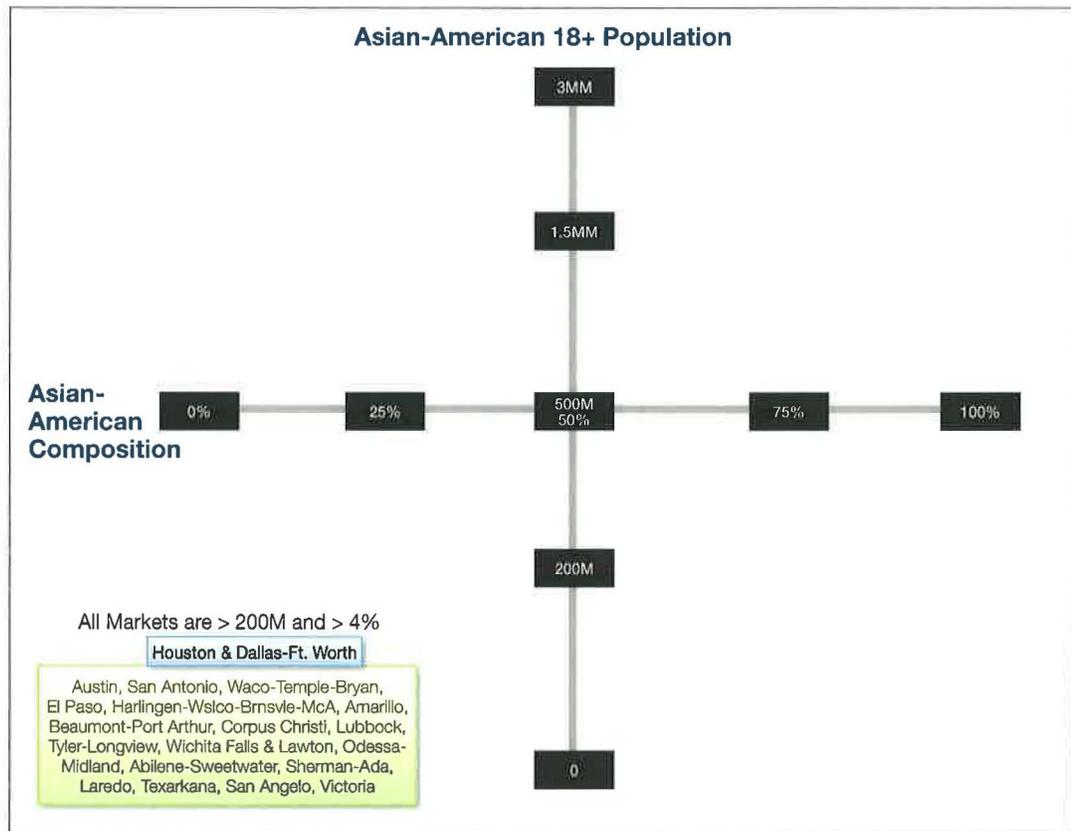
Texas' African-American footprint is detailed below:



## Asian-American Market

### Key Highlights:

- Dallas and Houston account for 74% of the states' Asian-American 18+ population of 270,000.
- The remaining 26% (100M) are distributed among 18 markets.
- Of the four ethnic groups, Asian-Americans are by far the smallest in terms of population, accounting for just 2% of Texas' total 18+ population or less than 400M residents. As such, based on the available budget, Asian-American specific media is not being recommended as this audience will be reached through cross-over delivery with general-market media.



### Market Analysis Summary

Based on the composition analysis the following are key findings regarding Texas' markets:

- The top four markets (Dallas-Fort Worth, Houston, San Antonio and Austin) represent a large majority of the overall 18+ population, as well as the majority within each ethnic group:
  - Overall: 69%
  - General Market: 70%
  - Hispanic Market: 62%
  - African-American: 80%
  - Asian-American: 88%
- Across all markets, either the General Market or Hispanic audiences are the predominant population group

- Based on the audience composition of 16% African-American and 2% Asian-American concentrated in the top four markets, these specific ethnicities represent a relatively small percentage of the overall demography

The chart below displays an overview of the total population by market and ethnic composition for each DMA, providing a holistic view of Texas' 18+ population. The markets are shown in descending order based on the total 18+ population.

	Total 18+ Population (000)	Percent Market Composition			
		General Market	Hispanic	African American	Asian American
Dallas-Ft. Worth	5,060	57%	24%	20%	2.53%
Houston	4,432	45%	32%	23%	3.16%
San Antonio	1,742	40%	51%	9%	1.17%
Austin	1,327	63%	27%	9%	2.42%
Harlingen-Wsico-Brnsvl-McA	815	13%	86%	1%	.54%
El Paso	692	20%	75%	4%	.77%
Waco-Temple-Bryan	680	59%	19%	22%	1.52%
Tyler-Longview	515	65%	13%	21%	.49%
Corpus Christi	399	40%	57%	3%	.75%
Amarillo	365	66%	28%	6%	.94%
Beaumont-Port Arthur	320	61%	10%	29%	.98%
Lubbock	303	58%	34%	8%	.90%
Wichita Falls & Lawton	292	76%	11%	13%	.81%
Odessa-Midland	278	50%	43%	7%	.55%
Sherman-Ada	241	87%	7%	7%	.32%
Abilene-Sweetwater	212	74%	19%	7%	.45%
Laredo	167	7%	93%	1%	.41%
Texarkana	115	70%	5%	24%	.41%
San Angelo	115	63%	32%	4%	.38%
Victoria	60	51%	40%	9%	.60%

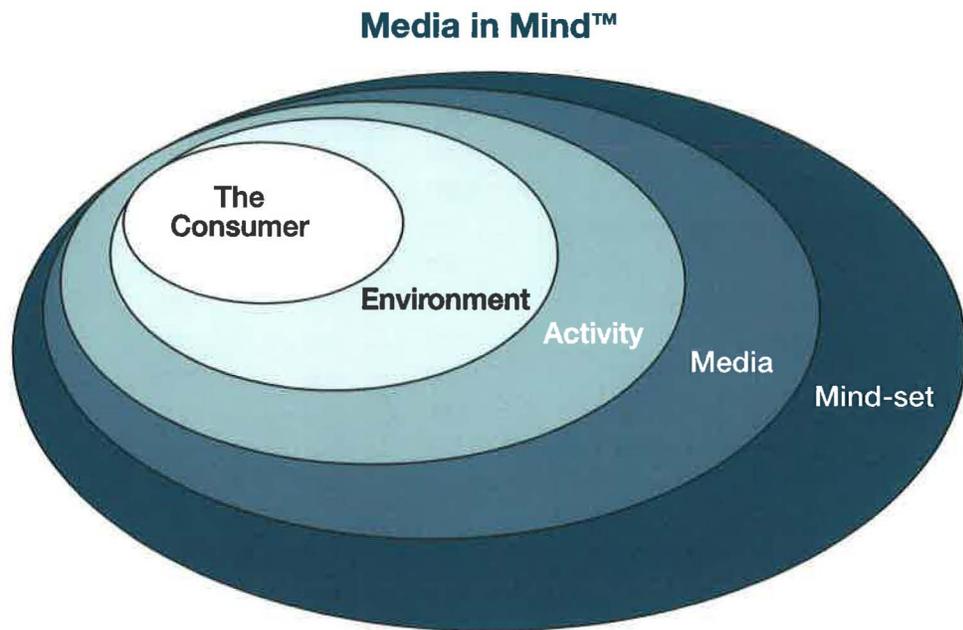


## Audience Analysis

The second step within our strategic planning approach is an audience analysis, rooted in understanding and learning what drives the consumer, how to connect with her or him, and then finding the best ways to intercept their lives with relevant

messaging. Using our proprietary tool, *Media in Mind*,™ we go beyond demographics and enhance our media planning process by revealing unique and quantifiable audience insights.

*Media in Mind* is a continuous research program that matches consumers' daily lives with their media consumption. It is the only research database that combines media usage, product consumption and qualitative aspects of consumers' lives, such as environment, activities, attitudes, values and lifestyle.



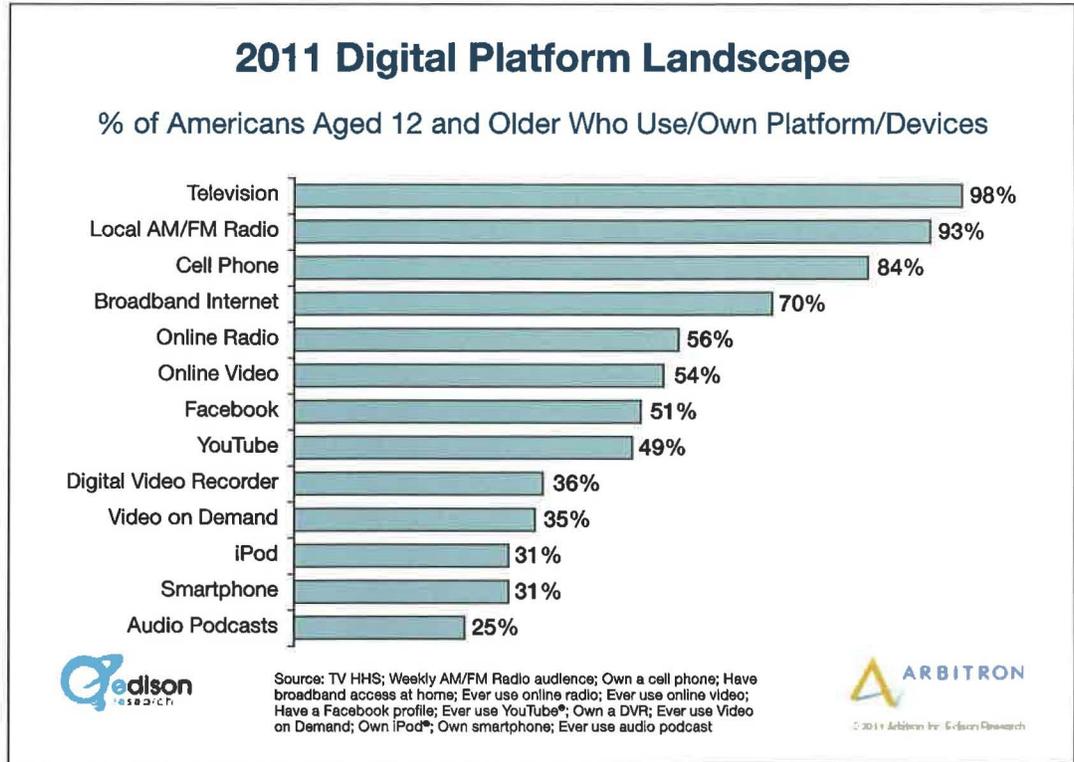
A deeper dive into the Instant Lottery audience was done by creating the following profiles across current, new and lapsed Instant Lottery players:

- Instant Game Player Men and Women
- Instant Game Player General Market, Hispanic and African-American

#### ***Media in Mind Audience Insights***

The Lottery audience, across ethnicities, is a media empowered and enabled audience with a lot of time spent tuning in, listening in and plugging in. All key audience profiles show a high degree of consumption and usage across media. Emerging media platforms and digital media are complementing and enhancing traditional media use as the audience multitasks and turns to multiple sources for information and entertainment.

This latest research from Arbitron and Edison Research reaffirms the growing media-centric environment that consumers live in.



### Advertising and Marketing Attitudes

- More than 45% agree that word of mouth is a good source of information
- Endorsements, celebrities, taglines or mascots in ads are not big influencers with less than 8% stating them as a influence
- Show slight preference (20%) for communications with guarantees, incentives, customized offers and direct contact information such as phone numbers and Web sites

### Television Insights

- English-language TV is the dominant choice resonating even among the Hispanic Lottery audience (70%)
- As expected, language plays an important role in influencing TV viewing with 66% of Hispanic households indicating a preference for Spanish programming
- African-American households have the highest average TV viewing hours of more than four hours in a day
- Women over index across most dayparts while all audiences show preference for prime and late fringe

## Instant Scratch-Off Players

	Adults 18+	Men 18+	Women 18+	Household is Hispanic	Black and African-American
TV Early & Late Fringe	104	102	106	96	104
TV Prime Time (M-S 8-11 p.m./Sun. 7-11 p.m.)	105	103	107	95	99
TV Daytime (M-F 10 a.m.-4 p.m.)	110	91	126	97	135
TV Early Fringe (4 p.m.-7:30 p.m.)	103	98	108	90	100
TV Late News/Fringe (11 p.m.-1 a.m.)	116	114	117	107	121
<b>In Average Day, Time Spent Watching TV</b>					
30 Minutes or Less	93	119	69	114	89
About an Hour	97	91	102	93	106
1-2 Hours	100	106	95	121	74
3-4 Hours	99	92	105	89	90
More than 4 Hours	109	101	116	71	182

### Radio Insights

- Radio is a constant with all audiences, 88% listening to it every week
- A majority listen at least 55 minutes a day with the core 20% listening to more than two hours each day
- Listenership is distributed across all dayparts, weekday and weekend
- More than half indicate listening to radio while in the car and another 30% pay attention to traffic reports
- Gospel, Jazz, R&B and Hip-Hop are core formats for the African-American audience
- Similar to TV, Spanish-language music scores high with the Hispanic audience
- Online streaming is a growing area of interest among all audiences

## Instant Scratch-Off Players

Radio Listening	Adults 18+	Men 18+	Women 18+	Household is Hispanic	Black and African-American
Mon-Fri 6 a.m.-10 a.m.	110	114	107	106	100
Mon-Fri 10 a.m.-3 p.m.	108	108	108	100	114
Mon.-Fri. 3 p.m.-7 p.m.	114	111	117	104	116
Mon.-Fri. 7 p.m.-Midnight	122	135	111	112	140
Sat.-Sun. 6 a.m.-10 a.m.	103	121	87	102	120
Sat.-Sun. 10 a.m.-3 p.m.	116	115	117	112	108
Sat.-Sun. 3 p.m.-7 p.m.	119	115	122	119	133
Sat.-Sun. 7 p.m.-Midnight	120	137	105	129	143

Radio Programming Listened to Last 7 Days	Adults 18+	Men 18+	Women 18+	Household is Hispanic	Black and African-American
Classic Rock	111	122	102	113	45
Classical Music	83	79	87	51	62
Country Music	114	101	127	78	66
Oldies	98	92	103	92	89
Hard Rock/Heavy Metal	100	122	80	187	97
Public Radio	99	116	83	67	52
Hip-Hop/Rap	97	108	87	197	140
Adult Contemporary	123	100	144	88	69
Jazz/Big Band/Swing Music	111	101	120	33	721
News/Personality/Talk	96	114	80	64	52
Sports Events	100	132	71	95	89
Sports Talk	101	161	48	81	72
Top 40/Pop	100	112	90	139	100
Hispanic/Latin	100	115	86	554	70
Gospel	112	97	126	21	869
Dance/Urban	107	100	113	94	609
R & B	109	94	123	75	716

### Out of Home

- More than 90% are on the road to work every day with 75% driving and the other using public transport
- 45% or more have a commute more than an hour
- Almost 60% report noticing ads on large billboards, 45% on buses, bus shelters or other locations along the roadways

### Digital Connections

State Lottery-Types Played Last 12 Months (Instant Game)	Adults 18+	Men 18+	Women 18+	Household is Hispanic	Black and African-American
Respondent Uses the Internet	104	103	105	95	102
Media-Visited English Web Sites Last 30 Days	103	103	104	85	89
Media-Visited Spanish Web Sites Last 30 Days	87	93	82	493	44
<b>Average Day Time Spent Viewing Content Online</b>					
Less than 1 Hour a Day	106	100	110	99	124
3-4 Hours a Day	104	111	98	79	95
3-4 Hours a Day	100	95	103	105	77
More than 4 Hours a Day	110	98	120	114	135
<b>How Often Visit Social Networking Sites in Average Week</b>					
Multiple Times a Day	102	99	106	115	94
Once a Day	117	104	129	112	150
2-3 Times per Week	107	103	110	98	111

State Lottery-Types Played Last 12 Months (Instant Game)	Adults 18+	Men 18+	Women 18+	Household is Hispanic	Black and African-American
Once a Week	100	104	96	60	179
2-3 Times per Month	103	132	78	135	58
Once a Month	90	77	102	51	102
Less than Once a Month	114	109	118	128	79

- More than 89% of the audience accesses the Internet and is online
- More than 50% spend between two and four hours on the internet every day, with another 20% spending more than four hours
- Use of e-mail is all pervasive with a majority indicating it is a core way of communicating
- 45% of people say the Internet is essential to their lives
- 40% indicate consulting online peer reviews and opinions
- A significant number (40%) enter online contests regularly

#### ***Mobile-Smartphone***

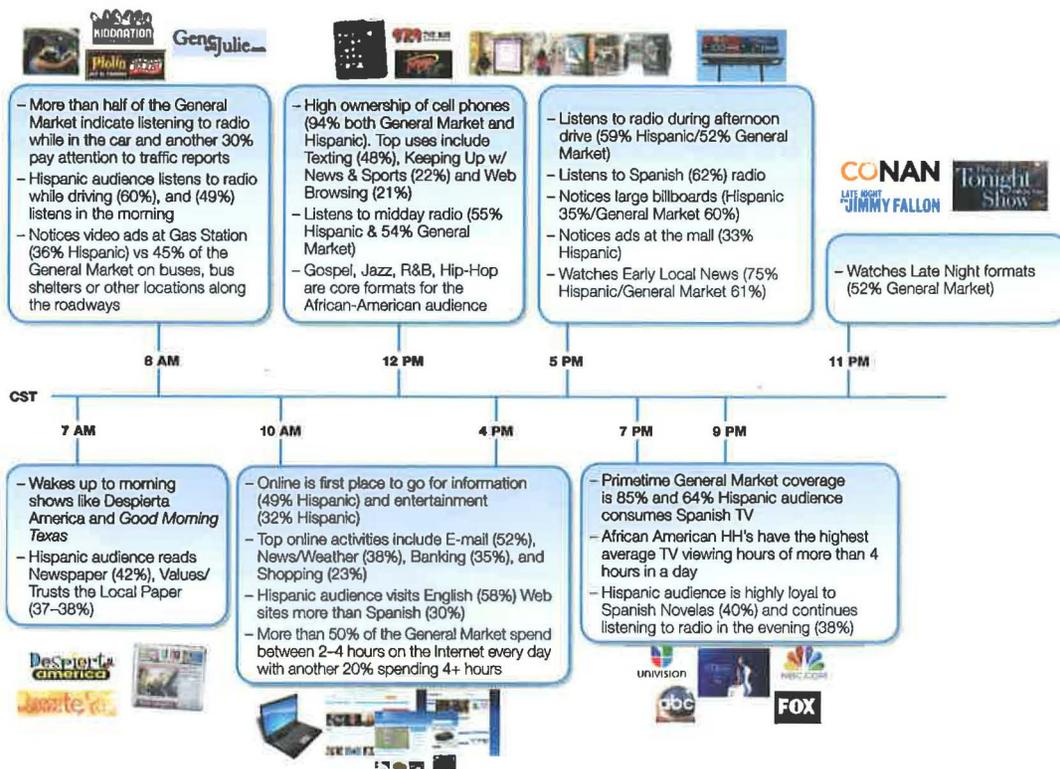
- More than 94% own a cell phone/PDA or smartphone
- More than 50% pay for data/Internet on their phone and 25% actively browse on their phone
- Smartphone penetration is growing with 20% or more having one
- Texting is a popular feature with 40%+ using it regularly
- Gaming on the mobile phone is another popular activity, with 40% indicating using it for playing

#### ***Social Networking***

- 75% have some sort of social network profile on some platform
- Facebook dominates the social networking field, with 51% surveyed having a Facebook profile and 15% having a Twitter account
- 40% or more access their social profile multiple times a day, with another 15% multiple times in a week
- Almost 25% indicate using their mobile phones to access their social network
- 20% are self-professed social media addicts!

#### ***Day in the Life of the Lottery Audience***

Based on the audience analysis, provided below is an overview of how the audience segments interact with media on an average day. The key takeaway is that a multimedia touch point plan is needed to fully engage the audience.



### Understanding the Ecosystem and Path to Play

Establishing an understanding of the audience ecosystem and their use of media helps to ensure that media and message are aligned in contextually relevant ways. The marriage of medium and message has always been an important factor for a successful communications strategy. However, as the media landscape continues to fragment and consumers time-shift while increasing their media consumption across multiple devices, aligning the message and the medium is more critical than ever.

As such, developing messages that intercept and resonate with the audience by placing them in environments where they are most receptive is an essential component to delivering the strategy. We do this by understanding the audience and their media ecosystem. Through the audience analysis we gained a deeper understanding of the consumer to help inform the ecosystem.

During the holiday season, our audience and women in particular, regardless of ethnicity, act as the COO of holiday gifts, while men are slightly more gift challenged.

However, both frequently engage with holiday planning and gift giving/gift inspiration editorial, Web sites and dialogue among family and friends. Additionally, engagement either physically or digitally within retail and shopping environments is at its peak. Couple this with their ongoing interest in blogs, social conversation and casual gaming and entertainment, and the media environment becomes a contextually rich ecosystem.

Surrounding the audience with contextually relevant messages provides a greater opportunity to break through the holiday clutter and position Texas Lottery Scratch-Offs as a fun and easy gift during the holiday season and beyond. The ecosystem serves as foundation for contextual areas to place messages across the various media channels.



Aligning the ecosystem, media tactics and the Path to Play is where opportunities to truly extend messaging and intercept the audience live.

**Now let's intercept Maria  
on her Path to Play.**







**Now let's intercept Joe  
on his Path to Play.**







## Retail as Media

1. Think of retail as media – it's brand marketing in a retail environment
2. We must guide shoppers and communicate effectively with them along the entire shopping journey – we call it the Path to Play
3. We need to interrupt and/or disrupt a shopper's current mind-set and shopping behaviors

Shoppers in retail account for an astounding number of qualified media impressions, with 7-Eleven stores alone delivering 1.5 million qualified impressions every day. So we need to take advantage of this powerful media with messages that steer customers to our product in the store and optimize that message within the last two feet where 70% of purchase decisions are made. In-store media can mean both standard placements and the unexpected. We can surprise and delight customers when we get beyond the traditional through paid, controllable media inside each distribution channel. Doing so will help the Texas Lottery change shopping habits this holiday and help shoppers see their scratch-offs for what they truly can be – the perfect, unexpected holiday gift.

### *“Standard” in-store placements include:*

- The Texas Lottery PlayStation
- Clings on vault doors or windows
- Gas pump signage
- Outdoor pole signs
- Door and/or wall posters
- Register signage

### *Ownable, paid media and alternative in-store placements include:*

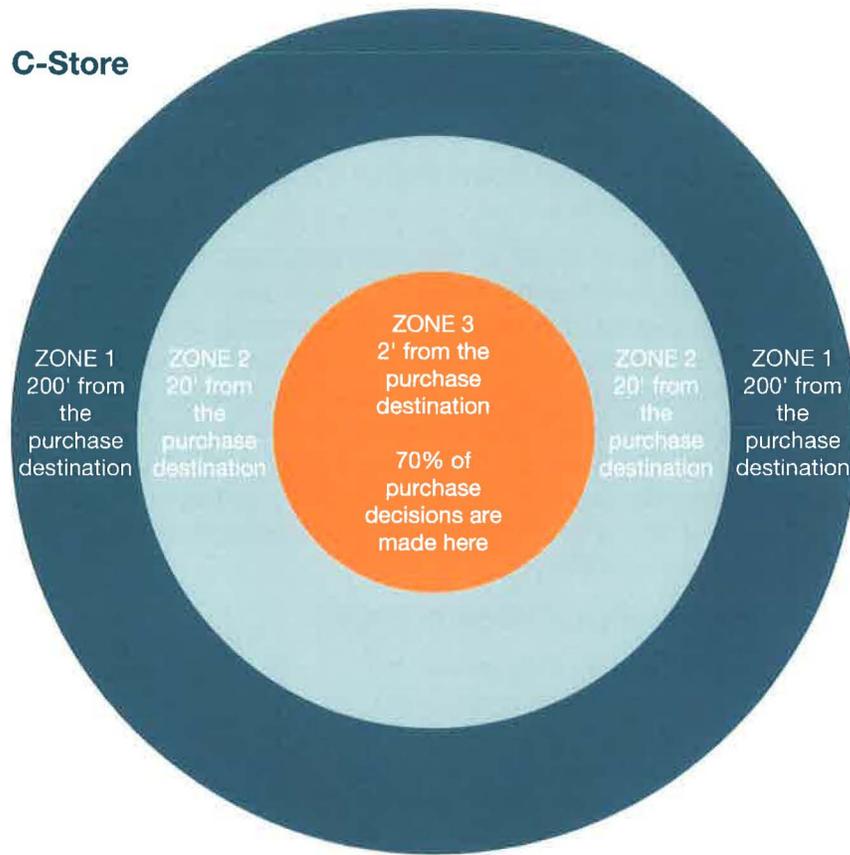
- Closed circuit TV systems within select c-stores and grocery stores
- Cross-category signage in complementary product categories
- NewsAmerica and Valassis
  - Floor talkers
  - Shelf talkers
  - FSIs and store circulars
- Receipt messaging and Catalina opportunities
- Loyalty card programs

## Communicating Along the Path to Play

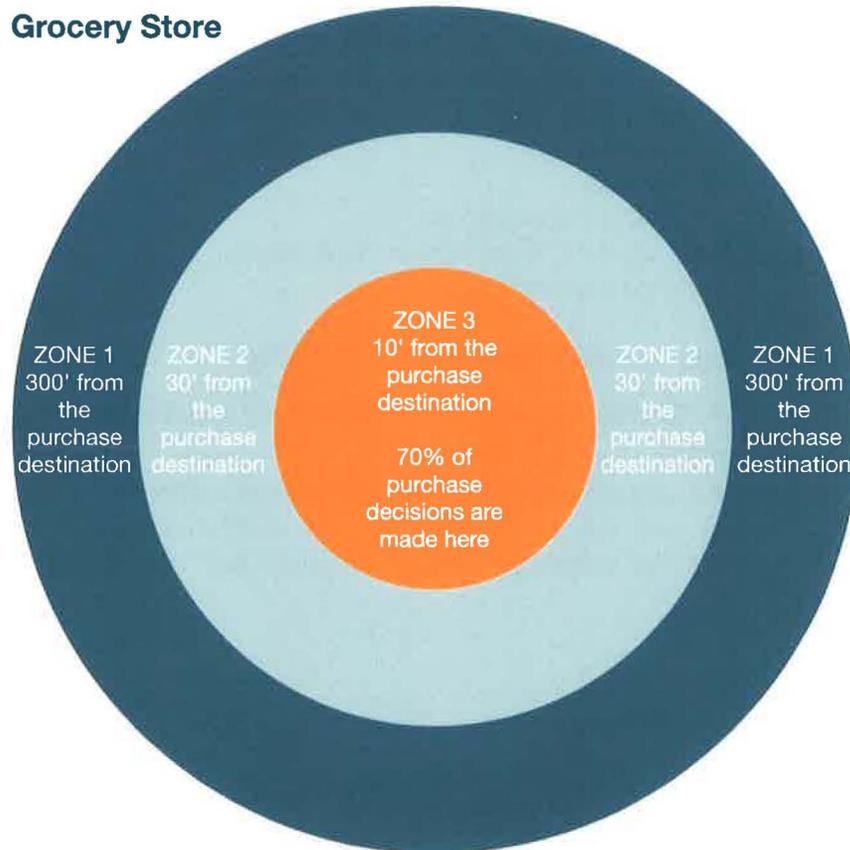
In order to be effective at retail, messages should intrigue shoppers at the right place at the right time.

Messaging should not be a “one size fits all” solution. After all, shoppers have different needs and motivations depending upon which store they visit and where within the store they currently stand. We call this Zone Messaging.

## C-Store



## Grocery Store



### *Zone 1 is the Shopping Zone*

- Location – Store exterior
- Desired shopper behavior – Get Texas Lottery scratch-offs on the must-have list this holiday season
- How we'll do this – Visually stimulate the shopper, whetting their appetite for a category that they may or may not have been intending to purchase

### *Zone 2 is the Navigation Zone*

- Location – Interior (feature displays, endcaps, high-traffic categories during the holidays)
- Desired shopper behavior – Encourage shoppers to interact with the brand and remember to buy scratch-offs as a holiday gift solution
- How we'll do this – Position our message to “buy scratch-offs” near highly trafficked products and categories and ultimately drive to the purchase destination

### *Zone 3 is the Moment of Truth*

- Location – Interior purchase destination
- Desired shopper behavior – Remind the shopper to buy scratch-offs as gifts, then reinforce their good choice
- How we'll do this – Communicate the excitement, value and fun of buying scratch-offs while emphasizing their gift-ability

## **Channel-Specific Strategy**

Beyond a great brand message, we have to tell you what to purchase, why and where. And during the holidays, we have to do it in a way that grabs attention and compels shoppers to action by channel. We know that shoppers visit certain stores for certain reasons. During the holidays, they are even more directed and single-focused during their visits. Disrupting and interrupting their planned visit is crucial if we intend to get scratch-off tickets in shoppers' baskets. We accomplish this by guiding our in-store communications with a from/to mentality we craft for each channel.

- Our goal for C-stores during the holidays is to move shoppers
  - **FROM** a quick stop for immediate consumables
  - **TO** immediate gratification and immediate gifts for friends and family
- Our goal for grocery stores during the holidays is to move shoppers
  - **FROM** list-driven trip for holiday party fare and hosted events
  - **TO** a one-stop shop for all holiday party and gift needs
- Our goal for liquor stores during the holidays is to move shoppers
  - **FROM** a purpose-specific and sometimes impulsive shopping trip
  - **TO** a way to make that bottle of wine/beer/spirits an even better gift



## Media Strategies

Based on the media objectives, an understanding of the ecosystem and the consumer path to play, the following media strategies are recommended:

- Activate a multimedia plan to increase awareness and incite product trial during the holiday season
- Build a strong communications foundation with high-reach media to ensure broad exposure while adding point-of-sale tactics to drive trial and intercept consumers at the moment of sale
- Establish effective levels of communications and an appropriate media mix based on the specific demography of the DMA
- Implement nontraditional tactics to break through holiday clutter
- Optimize the campaign to a six-week flight to maximize the budget for overall impact
- Align messages in contextually relevant gift giving/holiday environments to capitalize on the ecosystem
- Use digital and social paid media to help seed word-of-mouth opportunities and stimulate earned media opportunities
- Leverage the Texas Lottery owned media channels as an additional touch point

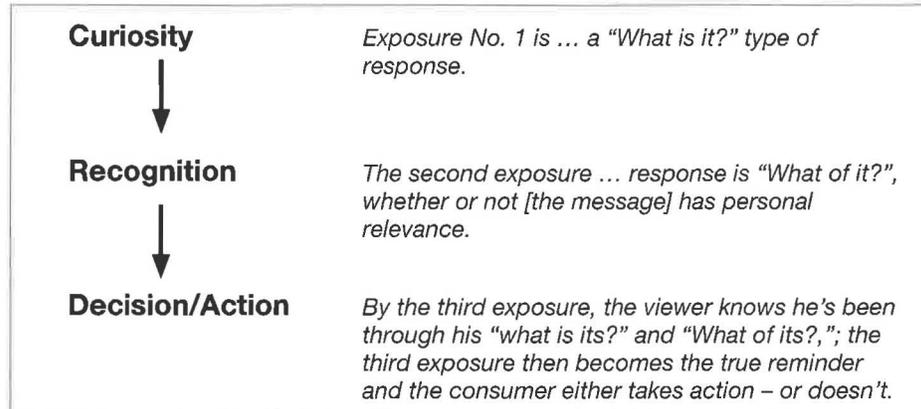
## Establishing Effective Levels of Communications

Our approach to planning is strongly aligned with quantifiable and clearly established effective levels of communications that help set guidelines for suggested number of messages that can run in rotation, within available budget, and without diluting effectiveness.

The media plans are then developed to meet these set goals within the following communication parameters:

- Effective Frequency Goal indicates the minimum number of exposures required to effect communication
- Percentage Reach at Effective Frequency Goal defined as critical mass reached, at the minimal frequency of exposure or opportunities to see
- Delivery within Measurement Period refers to adequate measurement time frame to achieve goal

### Stages of message comprehension that translate into the 3x frequency requirement



### Communications goals for the holiday campaign

In order to effectively communicate the holiday message over the course of the six-week campaign, the goal is to expose **80%** of the audience to the message at least **3x** times or more. A minimum threshold level of **50% @ 3x** is recommended at any given point within the campaign to ensure that the message is effectively delivered.

Additionally, media will be selected to not only deliver the overall audience but also key segments within the African-American and Hispanic audiences.

### Strategic Buying Approach

Our planning approach determines and defines the best audience for the campaign; our strategic buying framework works to buy the right audience with the right content at the right time, thereby actualizing the communication goals set. While our planning approach is rooted in being media agnostic, we pride ourselves in being true stewards and champions of every individual channel. We understand the intricacies and complexities of buying and seek to achieve maximum scale with every medium. Our buys balance the need for stiff negotiations to deliver the lowest CPM vs. paying a premium for the most desirable placements.

For the holiday campaign we will implement an integrated and consolidated media buying approach tying together the different channels (television, radio, print, digital and out of home) and deliver across ethnicities, demographics and markets. It allows better control/management of delivery, improved clout through a single buy and generating bottom-line savings. Where necessary, specialist buying resources and media will be recommended to balance delivery and meet overall communication goals.

### Upfront Buying Recommendation

We recommend purchasing media on an upfront basis. While it requires having budget confirmations early in the year, there are several benefits:

- Cost savings ranging from 5% to 10% over traditional per-flight buy; it allows for an opportunity to offset premiums during high CPP holiday and retail heavy months
- Allows "cherry-picking" of programs, dayparts, site placements, creative positioning and OOH locations
- Although purchased up front, maintain flexibility to shift or cancel as needed
- Secure full-year added-value opportunities with maximum dollars in negotiation

### ***Maximizing Channel Cross Deliveries***

General-market buys cross deliver across age groups and ethnicities. The extent of cross delivery differs by media and market, determining if supplementation is needed to balance delivery to all groups.

Based on historical impression and TRP cross delivery analysis of broadcast media in a minority-majority state, general-market buys underdeliver Hispanic and overdeliver African-American audiences. The Hispanic underdelivery is attributed in large part to heavy consumption of Spanish language media that cannot be offset with English language only channels while the overdelivery of the African-American segment is due to higher consumption and usage of TV and radio.

Affinity environments (radio formats with greater indices, TV networks and programming with increased African-American audience composition) will be incorporated within the general-market buys to effectively supplement coverage. An overlay of Hispanic media (in Spanish language) is recommended to effectively communicate with the segment in markets with a dominant Hispanic population.

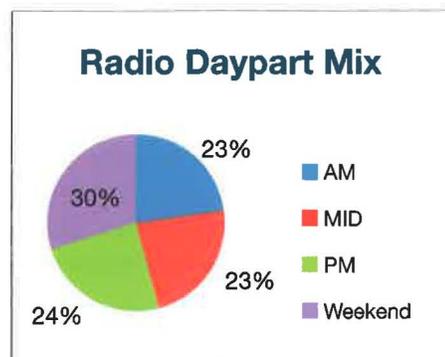
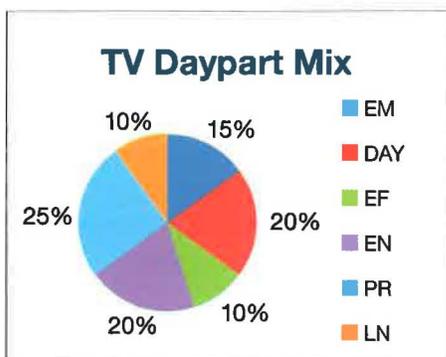
### ***General-Market Broadcast Buying:***

The key buying demographic for the general-market broadcast media will be Adults 18–49. Given the importance of reaching the diverse audience segments, the following cross-delivery goals will be set:

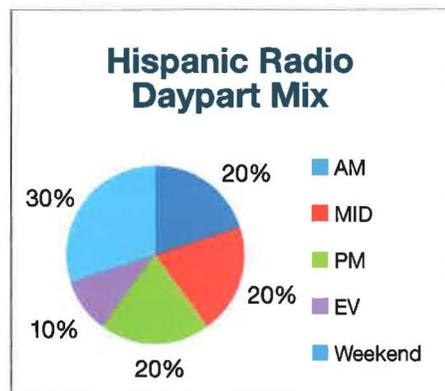
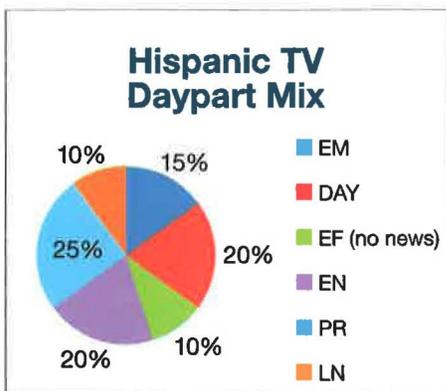
- Hispanic Adults 18–49: in markets with 10%+ Hispanic composition seek to deliver at least 60% versus general market
- African-American Adults 18–49: in markets with 10%+ African-American composition, seek to balance delivery versus general market
- Women 18–49: taking into consideration the female COO of holiday gift giving, deliver 110 index
- Men 18–49 : will seek to deliver 90 index

### Recommended Daypart Mix:

Based on media consumption analysis, the following daypart mix is recommended for general-market Spot TV and Spot Radio



### Hispanic Broadcast Media – Purchased to a Hispanic 18–49 demo



### Out-of-Home Media

While selecting actual locations, the following critical considerations will be applied:

- Balanced market coverage in line with the diverse population; ensure locations in high-ethnic-concentration pockets
- High revenue generating sales locations such as c-stores to provide additional impetus for increased holiday sales
- Locations with high DEC scores and propensity for increased vehicular and foot traffic

### Digital Media:

- Display – Two distinct buys will be initiated to deliver the General Market and Hispanic audience.
  - Hispanic display buys will incorporate video as well and focus on Spanish language sites
  - Select sites and network partners who can provide balanced delivery across men and women
- For social media, leverage combined buys on sites like Facebook (across Spanish and English) with minimum monthly spending thresholds

- Mobile media will be placed to effectively cover General Market and Hispanic audiences in the top two markets. The vendor will identify and deliver in-language message, across devices, when a language site is accessed. This will avoid duplication and increase efficiency of the mobile budget.

## Scorecard/Channel Analysis

It is important to determine which media type (TV, Radio and Display Ads) will reach the desired audience and generate the greatest ROI for the campaign. To inform that, a media scorecard is generated based on individual channel analysis. It consists of quantitative data as well as qualitative criteria. Additionally, some of these factors can be “essential” in that they are applicable to all media, while others are “specific” in that they are applicable/relevant to certain median types.

### Qualitative Factors

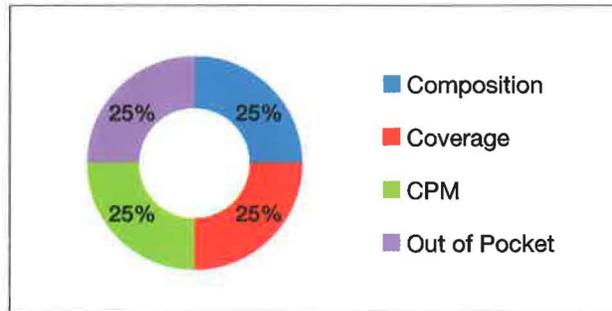
Qualitative factors are more subjective measures that pertain to a channel’s inherent strength as it relates to the criteria. For our analysis, each medium is scored on a three-point scale: exceeds, meets or does not meet. From a planning and mix selection standpoint, we want to build a strong foundation with channels that have the most “exceeds” rating as they will inherently work well with and enhance the creative message.

Medium	Contextual Relevance	Message Environment	Creative Execution	Innovation	Earned Media Potential
Spot TV :30	Meets	Meets	Exceeds	Meets	Meets
Spot Radio :60	Meets	Exceeds	Exceeds	Meets	Meets
Spot Radio: DJ Endorsements	Meets	Exceeds	Exceeds	Exceeds	Exceeds
Traffic Radio :10/:15	Meets	Exceeds	Meets	Does Not Meet	Does Not Meet
OOH	Exceeds	Exceeds	Exceeds	Exceeds	Meets
Placed Based Media	Exceeds	Exceeds	Exceeds	Exceeds	Exceeds
Digital Display	Exceeds	Exceeds	Exceeds	Exceeds	Exceeds
Social	Exceeds	Meets	Exceeds	Exceeds	Exceeds
Mobile	Exceeds	Exceeds	Meets	Exceeds	Meets
Print: Newspaper	Meets	Meets	Exceeds	Meets	Meets

While the qualitative factor addresses softer measures of the overall campaign, the quantitative factors ensure that the mathematical factors of budget, reach/coverage, composition and deliveries are effectively met.

### **Quantitative Factors**

All potential media channels are evaluated through a quantitative analysis using the following criteria, each receiving equal weight:



- *Coverage/Reach* – In absolute terms, how well does the medium reach the audience
- *Composition of the audience as delivered by the medium* – For the holiday campaign, this would apply to age breaks as well as ethnicities
- *CPM Efficiency* – Using cost per thousand variables for allowing comparisons across channels, vehicles and dayparts, this allows us to select media that represent the best value
- *Out-of-Pocket Cost* – The actual out-of-pocket cost for the campaign after taking into account the weight levels and duration that will be required to achieve effective communication levels

It is important to note the analysis is comparative across and relative within channels, as well as applicable to the geography in consideration. Additional real marketplace considerations such as SOV potential, inventory and frequency levels that can be achieved also play an important role in finalizing the mix.

Given their intrinsic wide-reaching nature, traditional media channels such as Spot TV, Spot Radio and OOH score high on coverage, while digital platforms – especially emerging ones like mobile and social – score comparatively lower as they are still growing in volume and usage. In contrast, the digital platforms score far higher when it comes to CPM, out of pocket and composition with their ability to tailor solutions to audience segments. Traditional channels are somewhat limited when it comes to the cost factor, having a relatively high fixed cost of entry, as well as the extent of composition they can deliver.

Within the final analysis process, actual hard data for each of these factors in each market (across ethnicities) will be evaluated to inform the actual mix.

### **Minority Print**

Since there are fewer standardized research resources as it pertains to the ethnic print media, we have developed a custom evaluation process that will be utilized to select African-American and Hispanic print partners. The process is initiated by sending RFPs to all media partners requesting detailed information, both quantitative and qualitative. This information is then compiled, compared, scored and ranked to arrive at the list of recommended partners.

- Audited circulation or Publisher's sworn statement
- Free vs. Paid Circulation
- Point of Distribution or Sales
- Credibility/reputation: based on editorial content, typical mix and category of advertisers
- Historic track record and service: this one is based on agency's experience
- Qualitative: size (tabloid/broadsheet, etc.), paper quality, layout
- Quantitative: circulation stability, frequency, number of pages

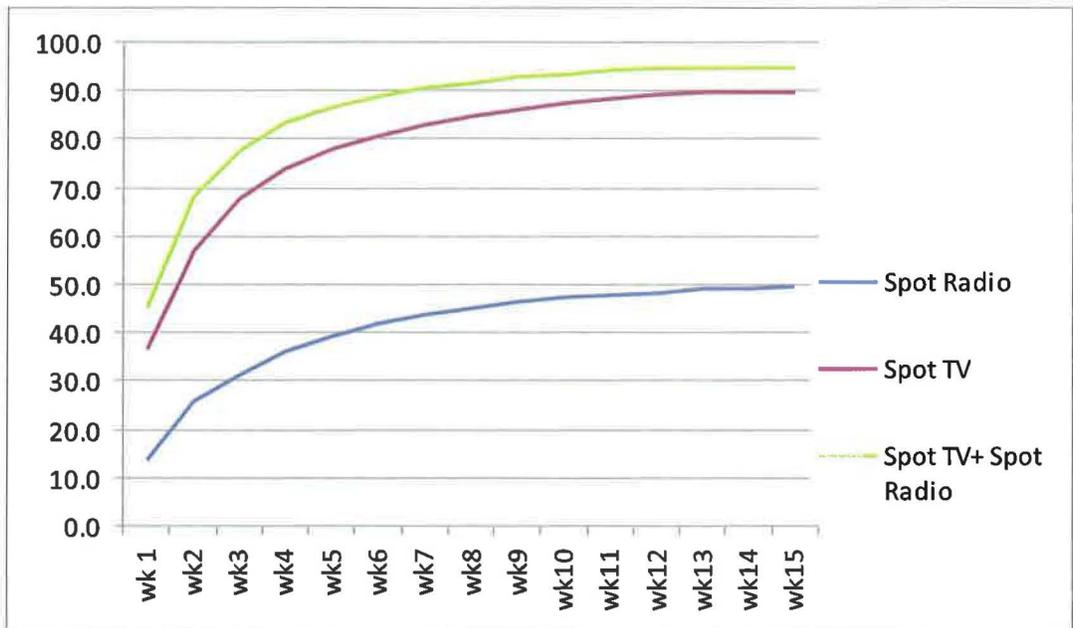


### *Market Clusters and Media Mix*

Along the different phases of holiday gift shopping (pre-shopping consideration, evaluation, actual buying), the consumer interacts with varied media to help facilitate the process. A multitude of media channels work together to fulfill information and often times actual “buy” needs: TV, radio, circulars, newspapers, Web sites ranging from price comparison, coupons, auction, reviews, shopping lists, apps and widgets and strong place-based media such as in-store media (displays, packaging), mall kiosks, street level out-of-home.

Based on the campaign objectives, media usage among the audience, and the all pervasive presence of many media during shopping and the impact/effectiveness of each media tactic, a multimedia touch point strategy is recommended.

Additionally, from a media efficiency and effectiveness standpoint, multiple media work together to provide higher reach and frequency. Introducing more touch points offsets diminishing rate of return for coverage and cost.



Implementing a multi-touch point media mix helps to deliver against the campaign objectives, while ensuring communication goals are achieved. Reach and frequency build most effectively and efficiently by using a combination of broad-reaching media channels combined with point-of-sale tactics. Additionally, using a mix of channels let's us reach the audience throughout their day and intercept them during the Path to Play.

Outlined below are the key media recommended for the holiday campaign and their role in the overall communication and media mix. They were selected based on qualitative audience analysis showing high usage, consumption and relevance, quantitative analysis that helped inform the actual share of spend each channel should receive to be effective and efficient, as well as individual market requirements.

### Spot TV



- Recognizing overall quantities and time spent with TV, broadcast will be essential to deliver on reach goals
- Capable of strong delivery across all adult demographics (age, gender & ethnicity)
- Medium with greatest range of (Multi-Sensory) communication
- Sight, sound and motion allows for impactful creative message

### Spot Radio



- Offers a wide range of both English and Spanish formats, optimal for adequately reaching non-ethnic, Hispanic and African American consumers
- Reaches people on the go – in their cars, at work and at home – whether they are relaxing, traveling, shopping or working
- Extremely efficient and provides strong frequency maintaining top of mind awareness
- Key promotional medium
- Utilizes DJ Endorsements to effectively communicate a local connection between their brand and a notable personality within the market
  - Live (or recorded to sound live) within personalities daypart
- Capitalize on market strengths; favorite stations, DJ's, local market events

### Regional Network Radio



- Offers Statewide coverage
- Extremely cost-effective

### Traffic Radio



- Adjacent to content that is relevant, timely and sought after
- Utilize in key markets to build frequency

### OOH



- Provides broad market coverage at effective levels
- Enables additional support to key revenue locations
- Reinforces message
- Ample scope for innovation
- Intercepts audience as they go about their day and lives

### Digital Display



- Broad reach with a wide range of options:
  - Includes geo, behavioral, time of day, day of week, content, etc.
- Cost-effective
- Results-oriented medium ensures campaign accountability and optimization on various levels
- Accepts a wide variety of formats: flash, rich media, video (in banner and pre-roll)
- Allows consumers to directly interact with brand
- Strong reach at work as well as in the home

### **Digital Social**



- Promotes products in a fun and engaging environment
- Increases customer loyalty and trust
- Earned media that extends past the paid campaign

### **Digital Mobile**



- Large potential reach to an affluent audience
- One-on-one user experience, less cluttered environment
- New channel with high initial response rates and higher levels of brand metrics (awareness, message association, purchase intent, etc.)
- Opportunities for unique cross-platform packages
- Always connected
- Display and SMS
- Reach a number of devices – phones, tablets, e-readers
- Extends reach to Hispanic Market

### **Minority Print**



- Offers an extreme means to reach key segments
- Provides community level support, while also keeping readers connected and up-to-date with “home country” news & happenings

### **Earned Media**



- Opportunity to activate and leverage social media channels to create a dialogue around holiday gift giving

### **Placed-Based Media**

- Opportunity to interrupt and intercept shoppers
- Strategic media placements along Path to Play

## **Market Clusters and Actual Media Mix**

From a General Market perspective, the 20 DMAs have been clustered into four distinct groups, driven largely by the demographics of the markets as well as the media mix they will receive. As referenced in the market analysis, the markets are distinct not only in terms of the sheer scale of their overall population but also their composition, with different ethnic groups having a significant share and presence. This in itself explains the difference in clustering between the General-Market, African-American and Hispanic markets.

The actual cost of implementing the identified media mix, while ensuring each channel is backed by effective weight levels and duration of exposure so they work within the effective communications goals outlined, determined the cluster level media mix.

Taking into consideration the Path to Play and just how much time is spent on the road during the holiday season, out-of-home media will play a lead and key role in connecting the message and the busy gift-seeking consumer. All markets will receive a strong foundation of #50 showing of billboards. The top four markets with the larger population base, heavier retail volume and higher traffic, will receive an overlay of innovative place-based out-of-home tactics to further deepen the association and exposure of the message.

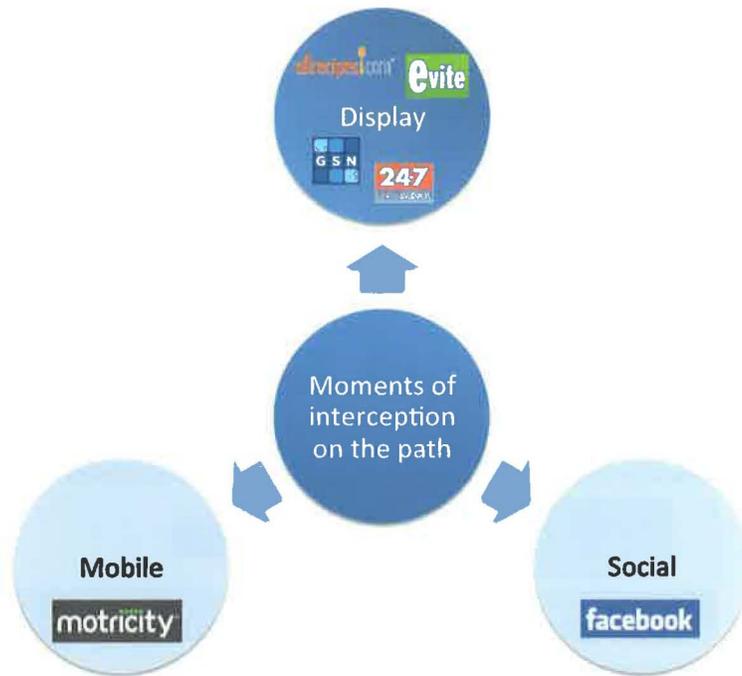
The key idea is to intercept the busy on-the-go holiday shopper using retail as media. These are channels that are in the forefront at locations the busy shopper encounters often and hence will serve as an active reminder to consider the Lottery as a gift item.



Super-efficient regional radio network will lend the broad coverage needed to spread the message across the vast geography. Spot Radio in the top 17 markets will work together with OOH to build the reach while bringing in incremental frequency. DJ endorsements in the top four markets will work to make the message resonate at a personal level. Traffic Radio will add contextual relevance and increased frequency in the top four markets, especially relevant during the heavy road volume holiday months.

Due to budget constraints, Spot TV will be restricted to do the heavy lifting in the top two markets with more than half the general-market population of the state.

Digital tactics (mobile, social and display) will be layered in these two markets to further enhance the communication by being in environments that the consumer actively seeks and connects to/with.



### General-Market Media

	State Nets	OOH #50 Showing	Spot Radio	Traffic Radlo	OOH: Place Based	AA Newspaper	Spot TV	Digital
<b>Cluster 1: Dallas-Ft. Worth, Houston</b>								
53% of GM Population								
<b>Cluster 2: San Antonio, Austin</b>								
17% of GM Population								
<b>Cluster 3: Waco-Temple-Bryan, Tyler-Longview, Amarillo, Wichita Falls &amp; Lawton, Sherman-Ada, Beaumont Port Arthur, Lubbock, Corpus Christi, Abilene-Sweetwater, Odessa-Midland, Texarkana</b>								
26% of GM Population								
<b>Cluster 4: El Paso (Las Cruces), Harlingen-Wslc-Brnsvil-MCA, Laredo, San Angelo, Victoria</b>								
4% of GM Population								

While the African-American audience, as outlined in the buying approach, is delivered largely by the over delivery of General Market media, the extent of delivery can be quantified as a standalone media plan. Adding a layer of ethnic print further enhances the communication to the segment.

## African-American Market Media

	State Nets	OOH #50 Showing	Spot Radio	Traffic Radio	OOH: Place Based	AA Newspaper	Spot TV	Digital
<b>Cluster 1: Dallas-Ft. Worth, Houston</b>								
71% of AA Population								
<b>Cluster 2: San Antonio, Austin</b>								
10% of AA Population								
<b>Cluster 3: Waco-Temple-Bryan, Tyler-Longview, Amarillo, Wichita Falls &amp; Lawton, Sherman-Ada, Beaumont Port Arthur, Lubbock, Corpus Christi, Abilene-Sweetwater, Odessa-Midland, Texarkana</b>								
17% of AA Population								
<b>Cluster 4: El Paso (Las Cruces), Harlingen-Wslc-Brnsvil-McA, Laredo, San Angelo, Victoria</b>								
2% of AA Population								

There are three distinct clusters for Hispanic markets based on the population concentration. The 50 showing traditional bulletin tactics covered within the General Market will reach the Hispanic pockets in all markets. Similarly digital and social in the top two markets will also be delivered via an integrated placement across ethnicities.

## Hispanic Market Media

	OOH #50 Showing	Spot Radio	OOH: Place Based	Spot TV	Digital
<b>Cluster 1: Dallas-Ft. Worth, Houston, San Antonio, Harlingen-Wslc-McA, El Paso</b>					
77% of Hispanic Population					
<b>Cluster 2: Austin, Corpus Christi, Laredo</b>					
12% of Hispanic Population					
<b>Cluster 3: Waco, Odessa, Amarillo, Lubbock, Tyler, Abilene, SanAngelo, Wichita Falls, Beaumont, Victoria, Sherman</b>					
11% of Hispanic Population					



# **FY 2013 Texas Lottery Holiday Plan**

## FY 2013 Texas Lottery Holiday Plan

	NOVEMBER				DECEMBER				Estimated Net Budget	
	29	5	12	Black Friday/Cyber Monday 19	26	Holiday Party 3	Hanukkah 10	Holiday Party 17		Christmas 24
Media Tactics	29	5	12	19	26	3	10	17	24	
Texas State Nets (:60)				All Markets						\$165,000
Spot Radio (:50)					  All Markets except San Angelo and Victoria					
Gen Mkt Weekly Weight Level Cluster 1 & 2					175 GRPs	175 GRPs	175 GRPs	175 GRPs		
Gen Mkt Weekly Weight Level Cluster 3					150 GRPs	150 GRPs	150 GRPs	150 GRPs		\$600,000
Hispanic Weekly Weight Level Cluster 1 & 2					80 GRPs	80 GRPs	80 GRPs	80 GRPs		\$169,000
OOH #50 Billboards					All Markets					\$370,000
Minority Print (Hispanic Newspaper)				All Markets  				All Markets  		\$62,000
Place Based Media					 	Dallas, Houston, Austin, San Antonio	 			\$325,000
Minority Print (AA Newspaper)				 Dallas, Houston, Austin, San Antonio Dallas Weekly				 Dallas, Houston, Austin, San Antonio The Austin Times		\$25,000
Traffic Radio (:10/:15)					 	Dallas, Houston, Austin, San Antonio				\$200,000
Gen Mkt Weekly Weight Level Cluster 1					125 GRPs	125 GRPs	125 GRPs	125 GRPs		
Gen Mkt Weekly Weight Level Cluster 2					100 GRPs	100 GRPs	100 GRPs	100 GRPs		
Spot TV (:30)*					 	Dallas, Houston, San Antonio, Harlingen, El Paso				\$1,725,000 \$471,000
Gen Mkt Weekly Weight Level Cluster 1					175 GRPs	175 GRPs	175 GRPs	175 GRPs		
Hispanic Weekly Weight Level Cluster 1					80-150 GRPs	80-150 GRPs	80-150 GRPs	80-150 GRPs		\$200,000
Digital*				 		Dallas, Houston, San Antonio, Harlingen, El Paso	 			\$91,000

\*Represents both General Market and Hispanic-specific media buys



### *Flighting Strategy*

It is important to focus and place media at critical times during the Path to Play so as to maximize impact of the message and communication.

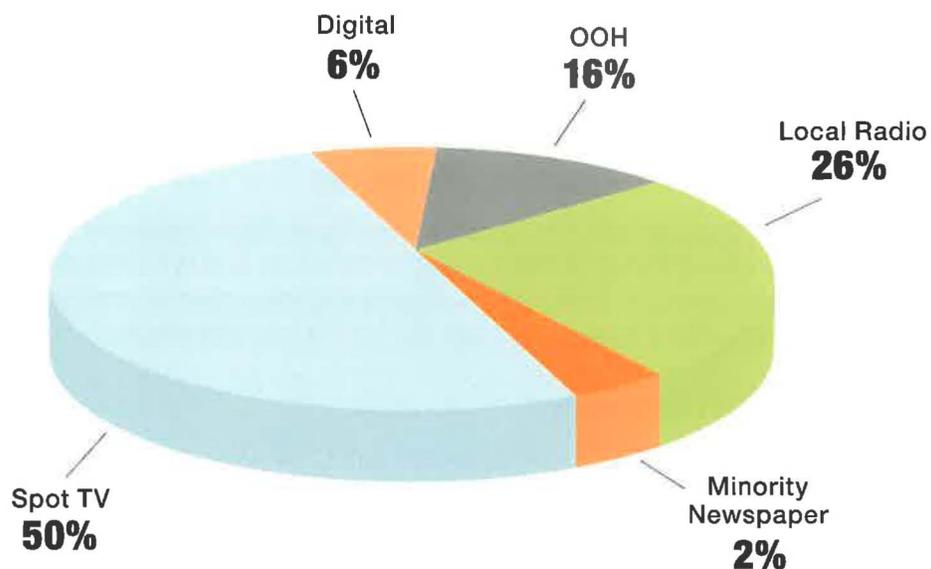
While the gift-giving phase is much longer and extends over months, the critical time of influence for paid media communication has been determined to be the six weeks beginning the week prior to Thanksgiving and ending December 24. This helps concentrate media dollars and the message to coincide with the most conducive time to purchasing scratch-offs as a gift.

The base layer of OOH bulletins and Texas State Networks radio will be live throughout the six weeks acting to introduce and reinforce the message. Spot Radio, Spot TV, Traffic Radio, Digital and Innovative place-based media will provide incremental support and push during the last four weeks.

### **Budget Summary**

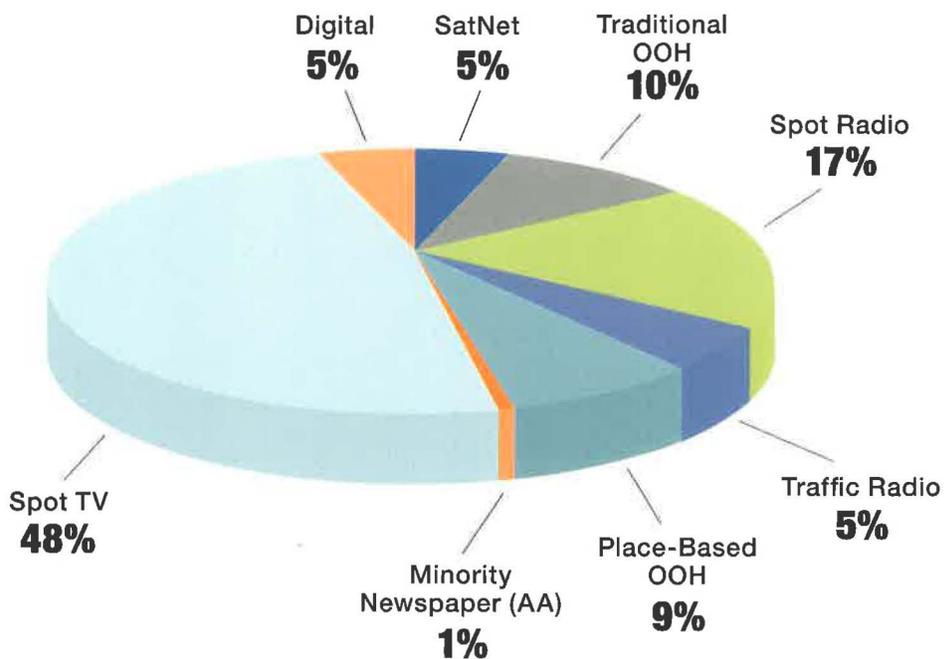
The overall working media budget is \$4,403,000, with 82% allocated to general market (delivering African-American and English Speaking Hispanic audiences) and 18% to distinct Hispanic Spanish language media. All media costs are non-negotiated.

## Media Budget Allocation

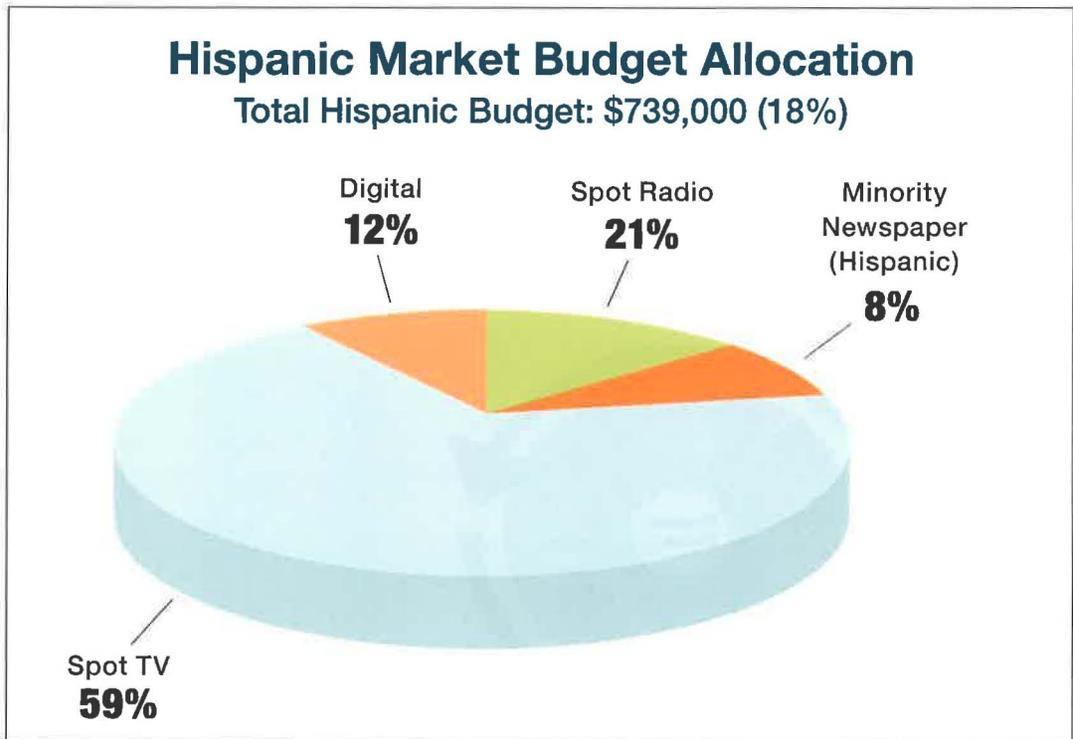


## General Market Budget Allocation

Total GM Budget: \$3,610,000 (82%)



**Total Hispanic Budget: \$793,000 (18%)**



## Plan Reach and Frequency Deliveries

The following outlines the actual weight levels recommended for broadcast media:

	Spot TV			Spot Radio			Traffic Radio			StateNets Radio (Approximate Delivery)		
	Weekly Weight Levels	# of Weeks	Total GRPs	Weekly Weight Levels	# of Weeks	Total GRPs	Weekly Weight Levels	# of Weeks	Total GRPs	Weekly Weight Levels	# of Weeks	Total GRPs
<b>General Market</b>												
Cluster 1	175	4	700	175	4	700	125	4	500	15-48	6	90-288
Cluster 2	—	—	—	175	4	700	100	4	400	35-45.6	6	210-273.6
Cluster 3	—	—	—	150	4	600	—	—	—	16.5-24.5	6	87-99
Cluster 4	—	—	—	—	—	—	—	—	—	4.5-9.6	6	27-56
<b>Hispanic Media</b>												
Cluster 1	85-150	4	340-600	80	4	320	—	—	—	—	—	—
Cluster 2	—	—	—	80	4	320	—	—	—	—	—	—
Cluster 3	—	—	—	—	—	—	—	—	—	—	—	—

The campaign level deliveries outlined below exceed the goals set.

### General Market

	Reach 1+	Reach 3+	Avg. Freq.	GRPs*
Cluster 1	98%	93%	23.9	2340
Cluster 2	88%	79%	13.5	1190
Cluster 3	87%	76%	7.5	650
*Cluster 4	60%	50%	3.3	200

Indicative of average deliveries across markets in a cluster.

GRPs are a total across Spot TV, Spot and Traffic Radio, OOH and Digital. Does not include Ethnic Print GRPs.

\*There are five Cluster 4 markets. Three of these will meet goal with the Hispanic media they receive. For two of these markets, given their overall low population share, we do not recommend additional media to meet goal.

## Hispanic Market

	Reach 1+	Reach 3+	Avg. Freq.	GRPs*
Cluster 1	94%	74%	7.0x	660
Cluster 2	70%	40%	4.6x	320

Does not include OOH planned within General Market.



## Performance Metrics

An integral part of our strategic approach is to determine and define a measurement plan for every tactic with a goal of optimizing the budget and communication, while enhancing overall campaign effectiveness.

Success metrics are defined for each medium relative to its role in delivering the campaign objective, the actual plan and achieving the effective levels of communications outlined.

### Part of Strategic Approach

#### In-Market

- Digital-Atlas
- Digital-Facebook
- Digital-Google Analytics
- Social – Radian 6
- Mobile – Velti

#### Post-Market

- Digital-Atlas
- Digital-Facebook
- TV-Nielsen
- Radio-Arbitron Audit
- OOH-Post Completion Market Rides and Pictures
- Social – Radian 6

We recommend reevaluating these and other tactics for future campaigns with a longer in-market presence.

	<ul style="list-style-type: none"> <li>• Additional opportunities to further reach audience</li> <li>• Extend radio platform to Pandora radio online</li> <li>• Interact with users searching for movie details and show times on Fandango</li> <li>• Expand social element by partnering with Clearspring</li> <li>• Capitalize Centro's network of local trusted sites</li> <li>• Intercept shoppers during the check-out process by using Adscaptcha</li> <li>• Capture audience's attention by utilizing contextual in-text ads</li> <li>• Partner with popular bloggers to promote scratch-offs</li> </ul>
	<ul style="list-style-type: none"> <li>• Additional place-based OOH tactics extend audience intercepts while they are out and about during the Holiday timeframe to increase awareness and spur Lotto purchase</li> <li>• Mall Advertising</li> <li>• Advertickets (Valet tickets, machine issued tickets, check cashing envelopes)</li> <li>• Pizza Boxes</li> <li>• Branded Dollars (Restaurants/C-Stores/Grocery Stores/etc.)</li> </ul>
	<ul style="list-style-type: none"> <li>• Tailored promotions to air across an unwired, customized regional program to provide additional reach to all markets and further entrench the Texas Lottery in consumers minds during the Holiday season</li> </ul>
	<ul style="list-style-type: none"> <li>• Print magazines feature editorial articles regarding unique gift ideas at a variety of price points during the Holiday timeframe; placement within or adjacent to this content will reach consumers when they are actively looking for gift ideas</li> <li>• A variety of buying options enable targeted reach to Texas markets:             <ul style="list-style-type: none"> <li>• Specific local publications (D Magazine)</li> <li>• State-wide publications (Texas Monthly)</li> <li>• Customized Local Buys with a variety of titles (People) through vendors such as MNI and MediaMax</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>• Current site policies prohibit gambling advertisers, inclusive of State Lotteries, to advertise within SEM</li> <li>• Recommend continuing to monitor these policies for possible inclusion at a later date</li> </ul>

**c) Budget**

*The Budget should include all production and media costs and shall not exceed \$5 million.*

Following is the budget breakout for the proposed marketing plan presented in this RFP. It is broken out by communications vehicle across both media and production line items. The budget totals \$5,000,000.

**Total Budget – General Market and Multicultural**

<b>Vehicle</b>	<b>Production Budget</b>	<b>Media Budget</b>	<b>Total Budget</b>
TV	\$330,000	\$2,224,000	\$554,000
Radio	25,000	1,218,000	1,243,000
OOH	60,000	370,000	430,000
Newspaper	15,000	87,000	102,000
Digital	6,000	275,000	281,000
Retail Media (POP)	100,000	250,000	350,000
Promotion	40,000	—	40,000
<b>TOTAL BUDGET</b>	<b>\$576,000</b>	<b>\$4,424,000</b>	<b>\$5,000,000</b>

**(d) Creative**

The campaign's creative strategy should present original and engaging ideas that support the advertising strategy for general and ethnic markets. The creative response should include, at a minimum, one 30-second television spot, one 60-second radio spot, one outdoor billboard, and point-of-sale pieces.

Additionally, the campaign should include a strong digital component to demonstrate strategic thinking and planning in the digital space (this may include approaches such as:

Internet ads, viral marketing, microsites, social media, mobile marketing etc.) The final element of the campaign should be a related event or promotion. This event should complement the supporting campaign while encouraging product trial and fostering brand awareness.

All creative shall be in accordance with the Texas Lottery's mission, vision and core values and advertising sensitivity stipulations as described in this RFP.

With our strategy in hand and our creative teams excited and ready to go, we were off and running to create a winning campaign for holiday scratch-offs.

In the creative development phase, we take our strategic message of "small gifts that are always a big hit" and conduct a full creative exploration around this strategic idea.

We feel there are a range of ways in which this strategy can manifest itself creatively – ranging from more product-driven messaging to experiential, all the way to highly emotional. As a result, we explored this full spectrum of options – believing each uniquely drives home the anticipation of the big hit to both the giver and receiver in different, yet highly, relevant ways.



**Product-Driven**

Communicate the benefit by positioning against alternative gift options

**Experiential**

Tap the inherent benefits that come from "scratching" – resulting in a gift of surprise and excitement

**Emotional**

Leverage the emotional payoff of a great gift to both the giver and receiver

**Holiday Scratch-off Campaigns**

In the following pages you will see three fully developed campaign ideas. We will start by sharing an overall concept, a statement that expresses the key creative idea. Immediately following will be a description of the nuances of the concept for the Hispanic audience. Next, we will show how this extends into all the vehicles required in the RFP and any additional vehicles recommended in the media plan. And, we didn't stop here – you will also find potential add-on executions, not currently covered in the budget, but ideas we think help dimensionalize the true depth and breadth of the campaign idea.

For the initial media plan, we would anticipate producing one General Market television spot, one Hispanic television spot, two General Market radio spots, two Hispanic radio spots, General Market and Hispanic traffic radio, one out-of-home billboard, Hispanic and African-American newspaper, General Market and Hispanic digital (display, social, mobile). For the retail media, we anticipate using a combination of some, but not all, of these items. Specific vehicles and number of executions will be finalized during the media buying negotiation process.

**For each campaign you will see the following:**

Creative Setup

General Market Setup

Hispanic Market Setup

Print - African-American & Hispanic Markets

OOH - General & Hispanic Markets

TV - General & Hispanic Markets

Radio - General & Hispanic Markets

Digital Online Ad Units - General & Hispanic Markets

Mobile Ad Units - General Market

Retail - POP & Signage

Promotional Ideas

Consumer Reaction



Creative





## idea 1

# The Gift of Scratch

The holidays are all about tradition. Year after year, people gather with family and friends in the same places, at the same times, eat the same meals, sing the same songs, and, quite often, give the same gifts. And while a lot of this sameness is what people look forward to each year, there's also something to be said for mixing things up from time to time. Holiday Scratch-Offs from the Texas Lottery are a simple, unexpected way to break from tradition and inject some extra fun and excitement into the gift-giving experience. And perhaps even start a brand-new tradition.



## The Execution: General Market

# The Gift of Scratch

“The Gift of Scratch” is about positioning Holiday Scratch-Offs as an unexpected gift that will keep people guessing and bring added anticipation and excitement to the holidays. Creative executions use simple yet very compelling images of predictable gifts that leave nothing to the imagination. Holiday Scratch-Offs are then positioned as the hero, along with copy that delivers simple, straightforward messages to drive the point home in a powerful way.

In television, we see simple, humorous situations in which people are caught off guard by receiving Holiday Scratch-Offs as a gift from friends and family. Each tells the story in its own unique way, while reinforcing the unifying message of scratch-offs as the perfect way to keep them guessing.



**IT'S UNPREDICTABLE.**  
*Give the gift of scratch.*

## Hispanic Market Execution

# The Gift of Scratch

In a similar manner, Hispanic executions will feature relevant gifts that resonate strongly with this audience, playing up the sentiment of “I’m always giving or getting the same old same old.” These unique stories are complemented with a strong call to action and copy that playfully persuades gift givers to give something different, fun and surprising. In this way we position Texas Lottery Scratch-Offs as the great, unexpected gift idea for this holiday.

All together, our creative elements properly address the mind-set of “I’d never thought about it,” which is more prevalent with Hispanics.



**SI NO QUIERES QUE SEPAN,  
YA SABES.**

*Regala algo inesperado.*

# "The Gift of Scratch" 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional combatant commanders

See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their 'patriotic duty' and pass the measures

defaulting on its debt. Though it came after days of intense debate and the resignation of several ministers in protest, in the

pay to its bondholders. The austerity measures mean  
See **GREEK** Page 2A



**MIX THINGS UP.**  
Give the gift of scratch.



TEXAS LOTTERY

**“The Gift of Scratch”** 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

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See **GREEK** Page 2A



**KEEP 'EM GUESSING.**  
*Give the gift of scratch.*



**TEXAS LOTTERY**

# "The Gift of Scratch" 1/2 Page Newspaper – African-American Market

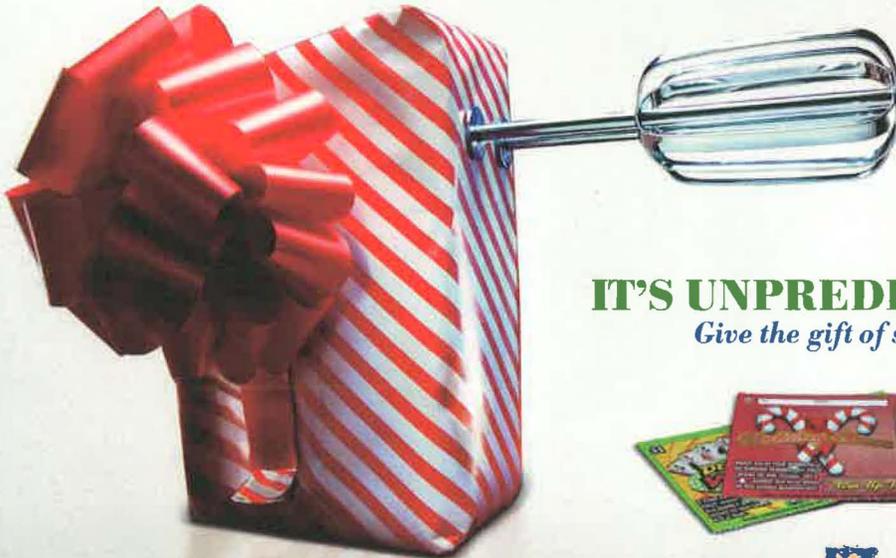
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See **GREEK** Page 2A



**IT'S UNPREDICTABLE.**  
*Give the gift of scratch.*



**TEXAS LOTTERY**

**“The Gift of Scratch”** 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their 'patriotic duty' and pass the measures

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The austerity measures mean  
See **GREEK** Page 2A



**ENCIENDE SU CURIOSIDAD.**

*Regala algo inesperado.*



**TEXAS LOTTERY**

# "The Gift of Scratch" 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

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See **GREEK** Page 2A



**SI NO QUIERES QUE SEPAN,  
YA SABES.**

*Regala algo inesperado.*



**TEXAS LOTTERY**

# "The Gift of Scratch" 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combatant commanders

See ADMIRAL Page 6A

UNITED PRESS  
Greek Prime Minister Lucas Papademos (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

defaulting on its debt.  
Though it came after days of intense debate and the resignation of several ministers in protest, in the

pay to its bondholders.  
The austerity measures mean  
See GREEK Page 2A



**PON ALGO DE EMOCIÓN.**

*Regala algo inesperado.*



TEXAS LOTTERY

**“The Gift of Scratch”** *Out of Home – Billboard*



**“The Gift of Scratch”** Out of Home – Billboard Hispanic Market



## “The Gift of Scratch” *Television Mnemonic*

All commercials will feature a unique visual mnemonic device that reinforces the gift-giving message. We see a simple gift-wrapped package. It begins to unwrap and refolds in a dynamic origami-style motion, transforming into a hero shot of Holiday Scratch-Offs.



## “The Gift of Scratch” Television

### “Cat Scratch” :30 TV

We open in an office setting on a close-up of a gift being handed to someone. The gift is in a small box wrapped in cat-themed holiday wrapping paper. It's unusual. That is, until we see whom it's been handed to. As the camera zooms out, we see that the receiver of the gift is a woman sitting at a desk that is completely covered with cat memorabilia. She has cat mugs, cat pencil holders, cat calendars, a cat screensaver and cat figurines. Cat this. Cat that. As her coworker hands her the gift, we can only assume that what's in that cat-wrapped gift box is something of the cat variety. She looks at the gift and smiles.

**Susan:** I wonder what this could be...

She opens the package to find scratch-off tickets from the Texas Lottery. Pleased with the surprising gift, she says:

**Susan:** Gary, how'd you know I love to scratch?

**Gary:** I just thought it'd be something, you know, different. (He looks toward all of her cat memorabilia)

Susan makes a clawing motion with her hand, mimicking a cat scratching.

**Susan:** Reeeeeooooow! (*Cat sound*)

**VO:** Holiday Scratch-Offs from the Texas Lottery. Mix things up this year.

Give the gift of scratch.



## “The Gift of Scratch” *Television*

### “What Is It?” :30 TV

We see two friends exchanging holiday gifts.

**Dean:** Hey, I got you a little something.

He gives the gift to his roommate. It's a small, decorated box. Overly excited, Jason exclaims:

**Jason:** What is it?! What is it?! What is it?!

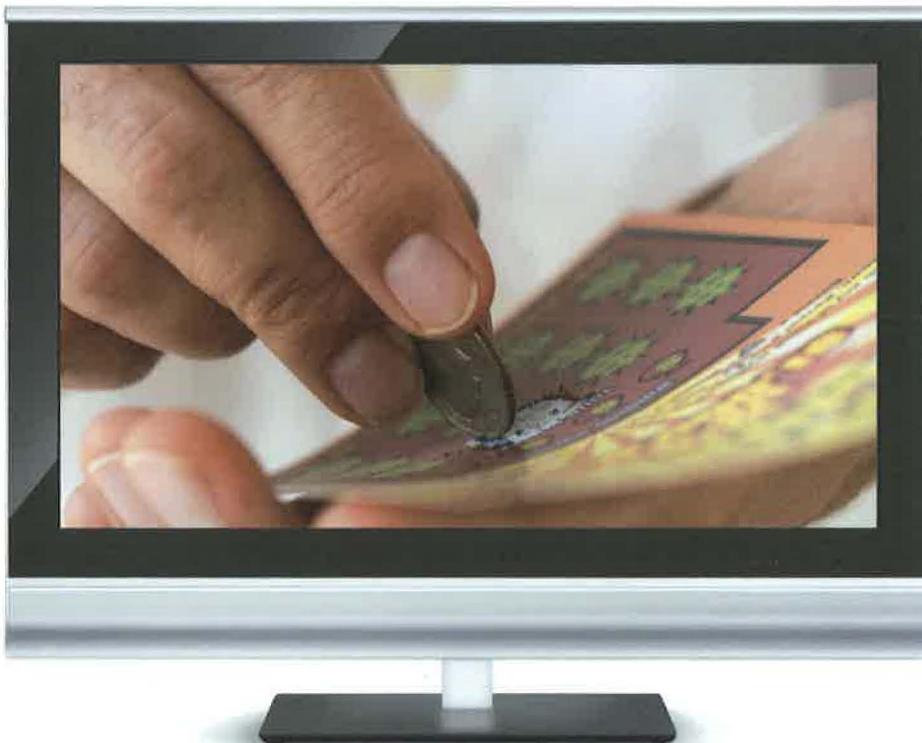
**Dean:** Just open it.

Jason unwraps the gift. He sees that there are scratch-offs inside the box. He pulls a quarter out of his pocket and begins scratching off the ticket. As he's scratching, Dean impatiently wonders what is under the silvery layer. He chimes in eagerly, saying:

**Dean:** What is it?! What is it?! What is it?!

**VO:** Holiday Scratch-Offs from the Texas Lottery. Keep them guessing this year.

Give the gift of scratch.



## “The Gift of Scratch” Television – Hispanic Market

### “Parrot” :30 TV

Inside a Hispanic home, everyone is gathered in the living room anxiously ready to start exchanging gifts. A middle-aged woman reaches over to give a young man the first gift. As she gives it to him with a hug, we hear the house parrot from the corner of the room in his beautifully decorated cage. It screeches out:

**Parrot:** ¡Corbata de rayas, corbata de rayas, otra navidad que me da la misma corbata de rayas!  
*Striped tie! Striped tie! Another holiday, another striped tie!*

Everyone looks at each other, startled. We then see a middle-aged man give another woman a gift. Again, the parrot screeches:

**Parrot:** ¡Bufanda, bufanda, Tío Luis siempre me da una bufanda!  
*Scarf! Scarf! Uncle Bob always gives me a scarf!*

We now see our hero who hands a gift bag to her sister who is around the same age. Everyone turns to look at the parrot who starts pacing in frustration. It can't figure out what's in the bag.

The sister opens her gift – and is truly surprised by the scratch-off tickets. She says:

**Sitster:** ¡Guau, qué regalazo!  
*Wow, what a gift!*

The sister starts to scratch the ticket as the entire family gathers around. The parrot belts out:

**Parrot:** ¡Qué regalazo, qué regalazo – el raspadito es un regalazo!  
*What a gift! What a gift! The scratch-off, what a gift!*

**VO:** Este año toca algo nuevo, regala rapaditos de la Lotería de Texas.  
Regala diferente.  
*This year give/get something new, Gift Texas Lottery Scratch-Offs. Gift different.*



## “The Gift of Scratch” Television – Hispanic Market

### “Shake” :30 TV

We open on a Hispanic family exchanging gifts. A dad picks up a gift and shakes it lightly. Amazingly, he knows exactly what's inside without even opening it. He says:

**DAD:** Una corbata, otra vez gracias Mariana.  
A tie... again. Thanks so much, Mariana.

He picks up the next gift. Again he shakes it lightly and says to his son:

**DAD:** Siempre puede hacer falta otra cartera, gracias hijo.  
I can always use another wallet. Thanks, son.

The dad picks up the last gift. He shakes it, but it seems to stump him. He holds it up to his other ear and shakes it with the same result. He opens the gift and is pleasantly surprised by the scratch-offs inside. He reacts with, “That’s different.”

**VO:** Este año toca algo nuevo,  
regala rapiditos de la Lotería  
de Texas. Regala diferente.  
This year give/get something  
new. Gift Texas Lottery Scratch-  
Offs. Gift different.



## “The Gift of Scratch” *Radio*

### “Spot Title” :60 Radio

We hear holiday music playing in the background accompanied by the warm crackling of a fire burning in the fireplace. A storybook-type narrator begins telling a “traditional” holiday tale.

**Storybook Narrator:** T’was the night before Tuesday when all through the condo not a creature was stirring not even our dog Mondo. The scratch-offs were set by the chimney with care, in hopes that a lot of excitement would soon be there.

A new, legal-sounding voice cuts in humorously:

**Legal:** ... adults over the age of 18 ...

Our storybook narrator continues...

**Storybook Narrator:** ... were nestled all snug in their bed. While visions of prizes danced in their heads. And Mama in her muumuu and I in my footed pajamas had just settled our brains for a long winter’s... (he pauses to think and breaks character) yeah, that one’s got no chance of rhyming.

**Female Announcer:** Put a twist on your holiday tradition with Holiday Scratch-Offs from the Texas Lottery. Gift different this year. Give the gift of scratch.



## “The Gift of Scratch” Radio – Hispanic Market

### “Season Song” :60 Radio

Engaging our radio listener in a fun and relevant way, we leverage the traditional Hispanic “song” to convey the message, “change up the holidays and give a different kind of gift this year: a Texas Lottery Scratch-Off.”

**Song :** IDuring this gre-e-eat se-e-e-ason  
W-ee ask for gi-i-i-fts  
So-o-mething that is fu-u-n  
No mo-o-re of the sa-a-a- a-ame

Esta gran tempóra-a-a-da  
Pe-e-edimos rega-a-a-los  
A-al-go diverti-i-i-do  
Ya no-o más de lo mi-i-i-i-is-mo

With so many Scr-a-tch-Offs, Scr-a-tch-Offs  
There are many and many options  
Give fun and different gifts  
Full of all kinds of surprises

Entre tantos Raspaditos, Raspaditos  
Hay mucha y mucha opción  
Da regalos diferentes, divertidos  
Llenos de sorpresa son

Go on, Juana, don't put it off  
With the Lottery basket  
A scratch-off is very exciting  
And brings great joy to the hearts

Ándale Amiga no te dilates  
con la canasta de la Lotería  
Los Raspaditos dan emoción  
y gran alegría al corazón

**VO:** Change things up this year and don't give the same gifts. Give something that is completely unexpected, a Texas Lottery Scratch-Off. It is the gift that will surely surprise, entertain and excite. So this year, gift Texas Lottery Scratch-Offs. Gift different.

Este año cambia un poco las cosas y no regales lo mismo de siempre. Regala algo totalmente inesperado, un raspadito de la Lotería de Texas. Es el regalo seguro para sorprender, divertir y emocionar. Así que este año regala raspaditos de la Lotería de Texas. Regala diferente.



## “The Gift of Scratch” Digital – Online Ad Units

TEXAS LOTTERY

**GUESS THIS GIFT**

- *I bet it's an iron.*
- *Probably an iron.*
- *Gotta be an iron.*

TEXAS LOTTERY

**PREDICTABLE IS BORING.**

TEXAS LOTTERY

**ACTUALLY SURPRISE THEM.**  
*Give the gift of scratch.*

Closest retailer

The viewer is prompted by a multiple-choice question game. After they click an answer box (or after a designated time), the frame changes, acknowledging the simplicity of the game. The next frame reveals that scratch-offs are the gift that's always a surprise.

**“The Gift of Scratch”** Digital – Online Ad Units

TEXAS LOTTERY 



**GUESS THIS GIFT**

- It's a drill.*
- Hum. A drill?*
- Must be a drill.*

TEXAS LOTTERY 

**PREDICTABLE IS BORING.**

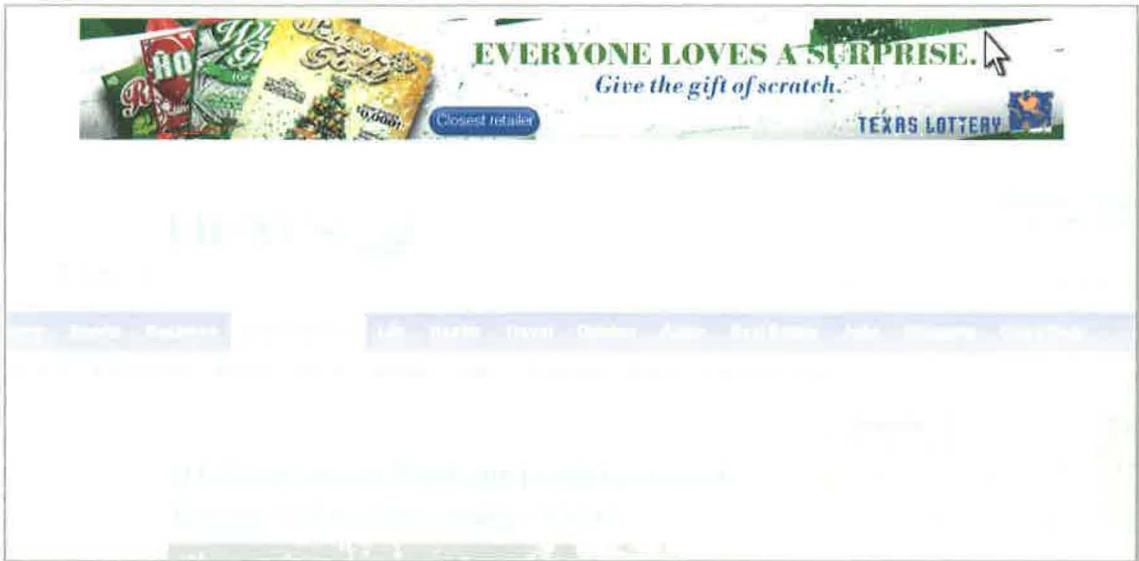
TEXAS LOTTERY 

**KEEP 'EM GUESSING.**  
*Give the gift of scratch.*



Closest retailer

## “The Gift of Scratch” Digital – Online Ad Units



As the Web site viewer is navigating the Web site and drags his cursor across the Lottery ad unit, the gift wrapping will scratch away. If the cursor doesn't go across the ad unit or the user doesn't scratch the paper to reveal the copy, it will animate automatically.

## “The Gift of Scratch” Digital – Online Ad Units

TEXAS LOTTERY

**¿ADIVINA QUÉ ES?**

- *Apuesto que es una corbata.*
- *Probablemente es una corbata.*
- *Puede que sea una corbata.*

TEXAS LOTTERY

**NO SEAS PREDECIBLE.**

TEXAS LOTTERY

**DALES UNA BUENA SOPRESA.**  
*Regala algo inesperado.*

Encuentra más cercanía

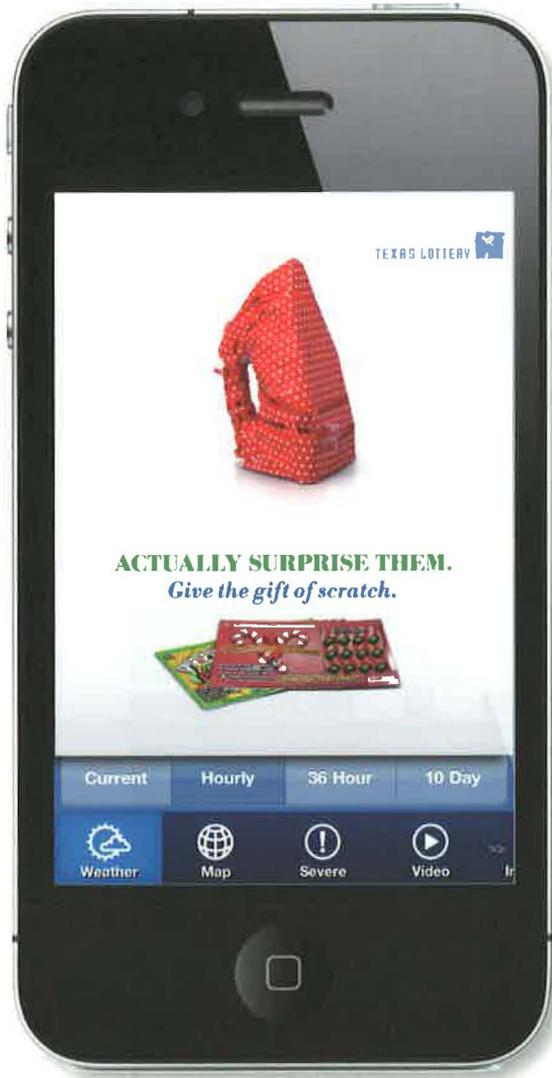
Guess what it is?

- I bet it's a tie.
- Probably a tie.
- It could be a tie.

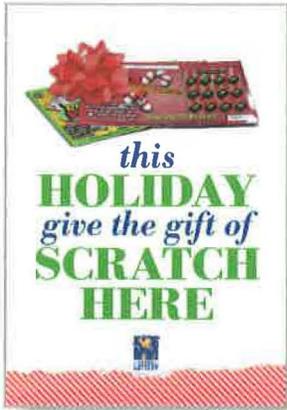
Don't be predictable.

Give them a nice surprise.  
Give something unexpected.

**“The Gift of Scratch”** Mobile – Ad Units



**"The Gift of Scratch" In Store – Convenience Store**



Coroplast Sign  
22.75" x 32.25"



**“The Gift of Scratch”** In Store – Convenience Store

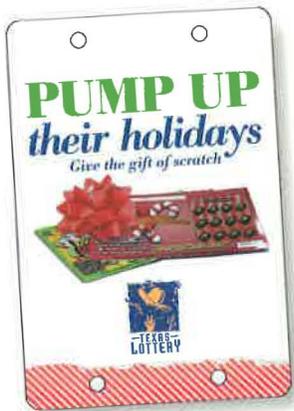


Pump Topper  
18" x 10"

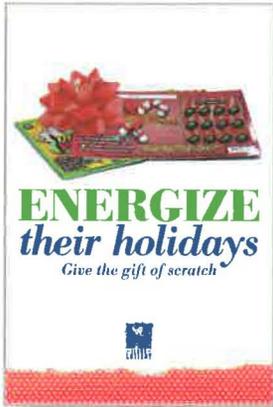


# "The Gift of Scratch" In Store – Convenience Store

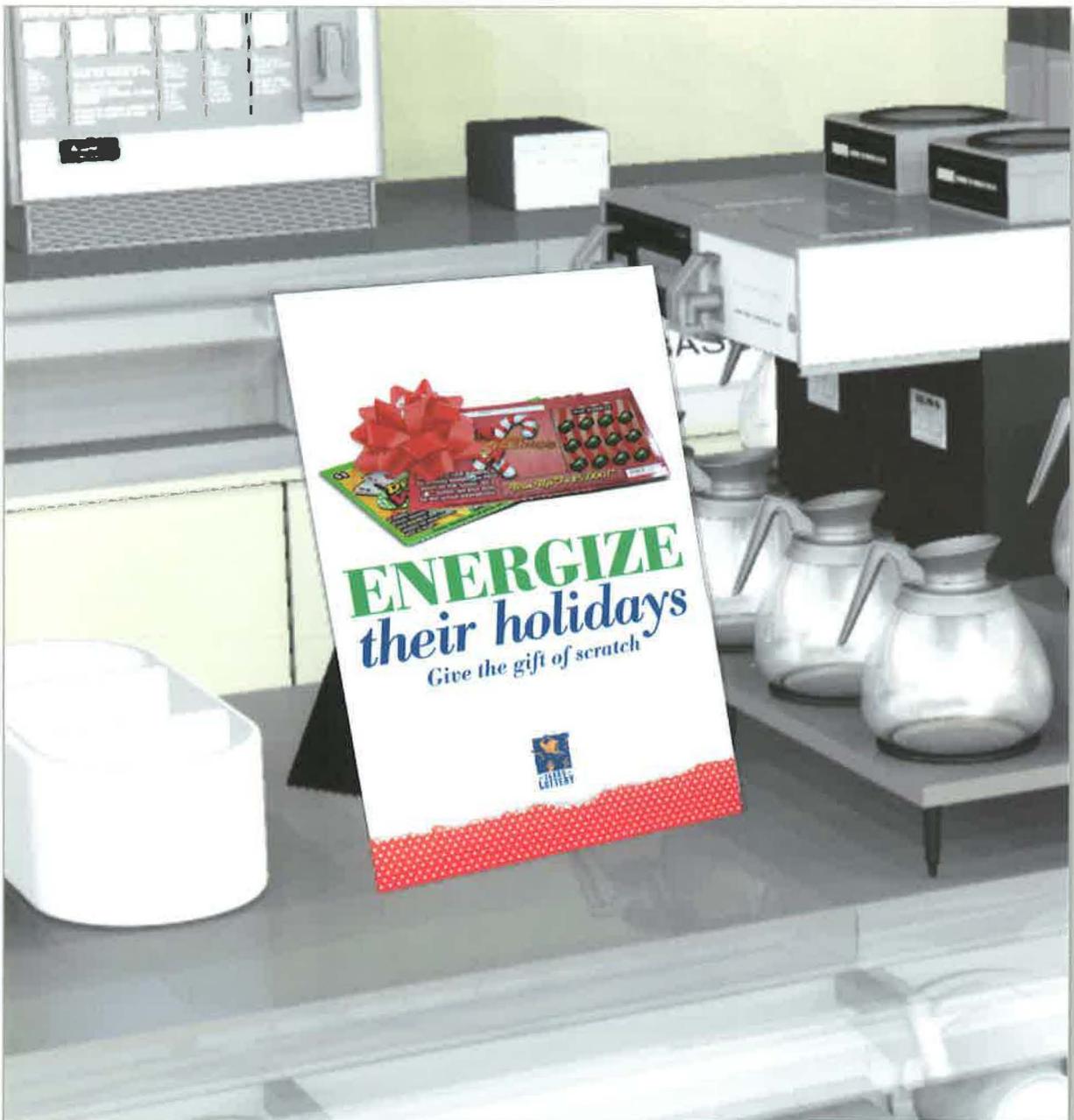
Hose Talker  
4.377" x 6.377"



## “The Gift of Scratch” In Store – Convenience Store



Counter Card  
8" x 12"



## “The Gift of Scratch” *In Store – Convenience Store*

We know you're coming in for coffee at your favorite C-store, but while you're here, why not do yourself a favor and cross someone off your holiday shopping list?

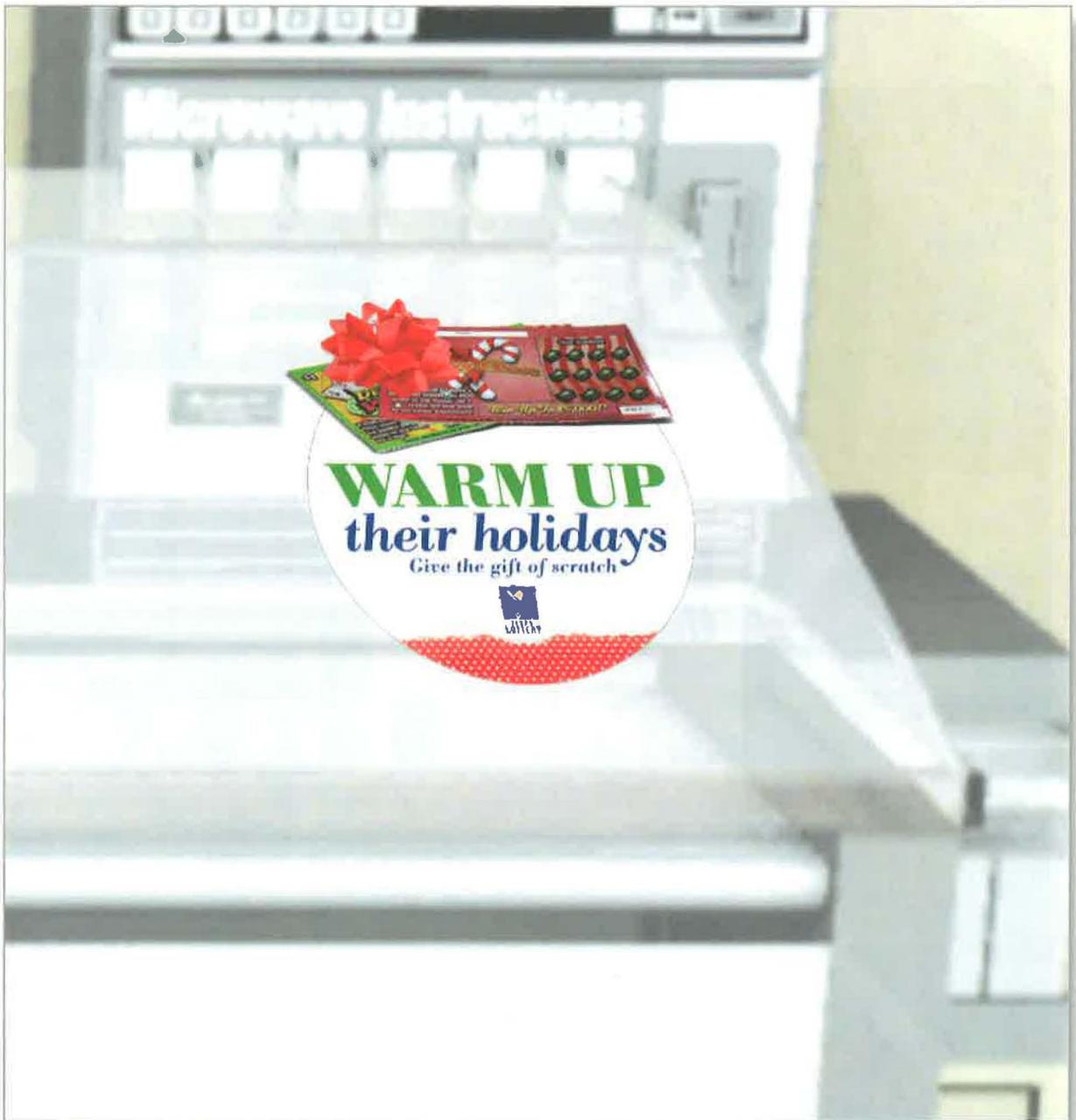
Coffee cup sleeves printed with scratchable game areas reward customers with unexpected, instantly free items like fountain drinks, hot dogs, bakery items and piping-hot cappuccinos. And if that wasn't enough of a gift, we'll remind them how easy it is to take care of their gift giving with a Texas Lottery Holiday Scratch-Off for just \$1.



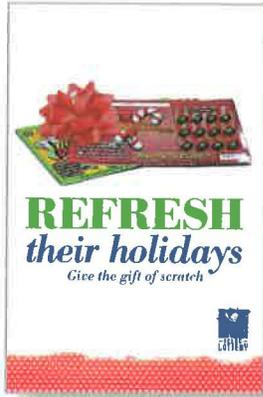
**“The Gift of Scratch”** *In Store – Convenience Store*



Grill Cling  
Diecut 6.25" x 6.75"



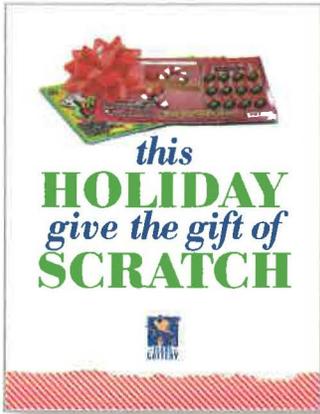
**“The Gift of Scratch”** *In Store – Convenience Store*



Low Tack Cling  
6" x 9"



**“The Gift of Scratch”** In Store – Convenience Store



Mini Billboard  
8.5" x 11"



**“The Gift of Scratch”** In Store – Convenience Store



Bin Topper  
8" x 4"



**“The Gift of Scratch”** *In Store – Convenience Store*



Change Mat  
15" x 7"



# "The Gift of Scratch" In Store – Grocery Store



Floor Cling  
Diecut 30" x 32"



# "The Gift of Scratch" In Store – Grocery Store

Shelf Blade  
7.75" x 18.125"



# "The Gift of Scratch" In Store – Liquor Store



Shelf Blade  
10.25" x 18.125"



Neck Hanger  
4.8" x 9.5"



## “The Gift of Scratch” Airport Kiosk

The role of promotions in this campaign is to encourage additional sales through alternate distribution channels. We recognize that we would have to learn more about the Lottery business to understand the implications and opportunities of alternate points of distribution and promotional activities.

This holiday, the Texas Lottery partners with another Texas original, Southwest Airlines.

Scratch-off vending machines placed in Texas airports near boarding gates invite waiting passengers to complete their holiday shopping with just a few dollars.

A few lucky buyers will get a little more than they bargained for. Each scratch-off ticket purchased could come with an additional bonus such as Rapid Reward Points.



## “The Gift of Scratch” *Parking Spot Painted Silver*

Holiday shoppers are on a mission to get in and out of stores as fast as possible during the busiest time of the year. With parking spots designated specifically for TLC scratch-off ticket buyers, we provide a unique and timely service that puts scratch-offs on shoppers' gift-giving list. Get in, get a Texas Lottery Holiday Scratch-Off and get out.

Fast, fun and unexpected. What could be better this holiday?



## Consumer Reaction – Give the Gift of Scratch

### Overall Findings

- Quickly and clearly communicates the strategy. By juxtaposing scratch-offs against obvious and expected gift items, the ads position scratch-offs as anything but obvious and expected.
- The campaign's simplicity and strong visual treatment has strong stopping power – creating high impact during the cluttered holiday season.
- Ads were seen as clever, fun and highly memorable.

### Verbatims:

*"It's not the same boring gift. I loved it ... it made me laugh, especially the wrapped iron."*

*"This ad shows that every year, you might get the 'usual' gift from people, but why don't you be different and get something unexpected, something 'unusual' and buy scratch-offs as gifts? You'd be seen as clever and fresh to the giftee. Maybe everyone who sees or hears about you giving scratch-offs as gifts will think the idea is so great that they'll start giving scratch-offs as gifts, too. You'll have started a new trend."*

*"Scratch-offs bring an element of surprise and fun that eliminates some of the 'sameness' around holiday gatherings."*

*"They are easy and quick and different and more fun than the traditional gift."*

*"Scratch-offs are a great gift because they add a level of excitement even after opened. Neither the giver nor the receiver knows what the gift will result in."*

*"Scratch-offs are fun, exciting and surprising. They would be a great addition to anyone's holiday."*

*"Scratch-off tickets spice up the holidays. Buy one to break out of traditional gift giving."*

*"It ups the entertainment aspect for the person receiving the scratch-off ticket."*

*"Muy emocionantes y diferentes." "Very exciting and different."*

*"Sin duda alguna puede ser un regalo sorprendente y inesperado." "Without doubt it can be a surprising/awesome gift and unexpected."*

*"Que no regales lo mismo, regala algo novedoso como un raspadito." "Don't always give the same thing, give something new, like a scratch-off."*

*"Cada ano es la misma cosa, pero este ano puedes dar una sorpresa con los raspaditos de la Loteria." "Every year the same thing, but this year you could give a surprise with the lottery scratch-offs."*

*"Regala algo diferente este ano, los juegos de la loteria son los regalos diferentes." "Give something different this year, the lottery game is the gift that is different."*

*"En dando los raspaditos es algo diferente, no como los otros anos con los mismos regalos sin chiste." "Giving scratch-offs is something different, it is not like the other years with the same gifts that are bland."*

# Give the Gift of Scratch

¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

What did the ad tell you? i.e. the main idea or key thought.

Basado en este anuncio, ¿por qué darías un raspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

El mensaje creo que da una opción de regalar algo diferente un regalo único y que puede que le estes regalando algo más grande de lo que tu piensas aunque a tu punto de vista no sea así.

Basado a este anuncio si alomejor regalaría uno para cambiar de lo mismo y pues que alomejor y la persona reciba su buen regalo!

"I think the message gives you the option to gift differently, a unique gift, and it could be that you're giving something bigger than you imagine even though you may not know it."

"Based on this idea, yes, maybe I would give a scratch-off to change up the routine and maybe the person gets a great gift!"

What did the ad tell you? i.e. the main idea or key thought.

THINK OUTSIDE THE BOX.  
DARE TO BE DIFFERENT.

Why would you give a scratch-off ticket as a gift?

TO STAND OUT FROM THE MONOTONY OF THE SEASON

What did the ad tell you? i.e. the main idea or key thought.

new traditions make excitement more fun

Based on this ad, why would you give a scratch-off ticket as a gift?

Something unexpected fun for a group!

¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

What did the ad tell you? i.e. the main idea or key thought.

Que puedo regalar raspatitos en Navidad  
Que los regalos no solo deben/pueden estar envueltos en caja y en moris. Que un raspatito también puede ser un regalo de Navidad.  
Que al raspar los raspatos se elige qué y dónde se me fuman los cigarrillos

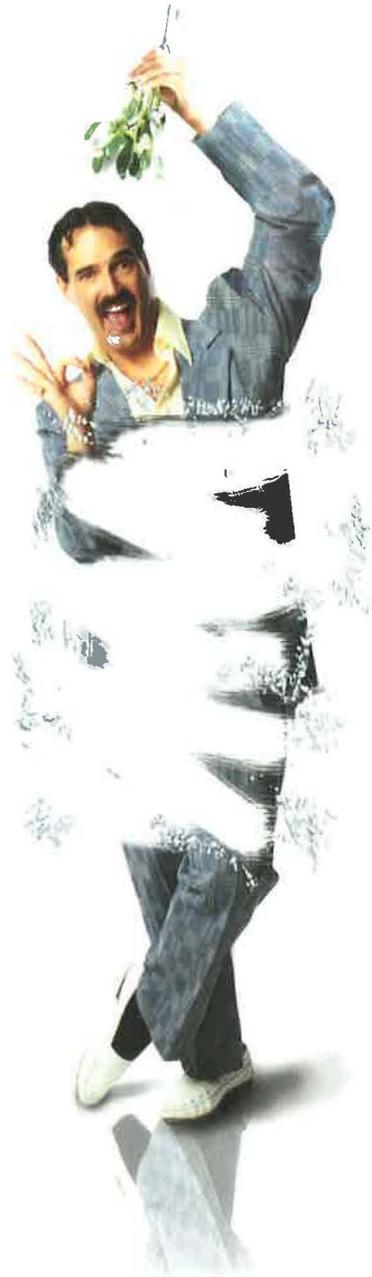
Basado en este anuncio, ¿por qué darías un raspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

"That I can give scratch-offs during Christmas. That gifts don't have to be wrapped in a box and with a bow. That a scratch-off can also be a Christmas gift. That giving a scratch-off makes me the original one and different from my family."

## Scratch Away

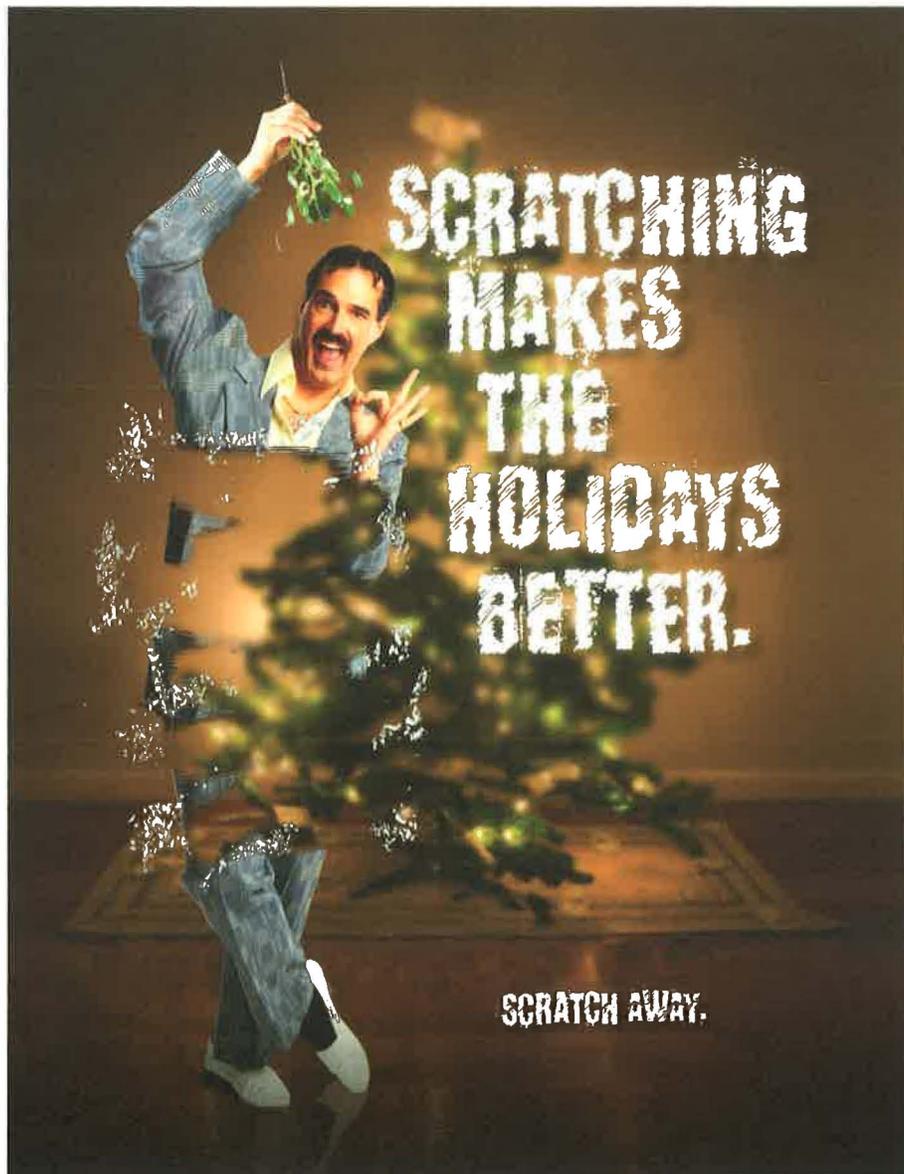
Few things are as gratifying as a Holiday Scratch-Off from the Texas Lottery. It's virtually impossible to resist digging into that flaky, silver coating and discovering what mysteries lie beneath its surface. Of course, the anticipation of possibly uncovering a winner adds to the excitement, but no matter what you might find, there is great satisfaction and joy to be found in the physical act of the scratching itself. Just imagine how much better the holidays would be if it were as easy to scratch away the less desirable aspects, too.



## The Execution: General Market

# Scratch Away

The crowds. The chaos. The stress. For all the joy and happiness the holidays bring, we all know that they also come with their fair share of frustrations and hassles. Executions of this idea feature familiar situations, objects or people that we can all relate to being “scratched away” in an attempt to make the holidays more enjoyable, and positions Holiday Scratch-Offs as the easy gift that brings that joy and satisfaction to your own holiday experience.



## The Execution: Hispanic Market

# Scratch Away

In a similar manner, Hispanic executions will feature highly relevant situations that our consumers can recognize immediately as those “not-so-cherished” holiday moments. The copy emphasizes and pays off how scratching can be fun and exciting, positioning the Texas Lottery scratch-off as a really great gift idea.



# "Scratch Away" 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional combatant commanders

See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

defaulting on its debt. Though it came after days of intense debate and the resignation of several ministers in protest, in the

pay to its bondholders. The austerity measures mean  
See **GREEK** Page 2A

**SCRATCHING MAKES THE HOLIDAYS BETTER.**

This year, give the gift that makes any holiday a little bit better by making every holiday a lot more fun. **SCRATCH AWAY.**

TEXAS LOTTERY

**“Scratch Away”** 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional consultant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

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This year, give the gift that makes any holiday a little bit better by making every holiday a lot more fun. **SCRATCH AWAY.**

**TEXAS LOTTERY**

# "Scratch Away" 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional constant commanders

See ADMIRAL Page 6A

**Greek Prime Minister Lucas Papademos (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures**

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pay to its bondholders. The austerity measures mean

See GREEK Page 2A



**SI LE RASGAS, ESTAS FIESTAS SE PONEN MEJOR.**

Esta temporada, regale algo que seguro anima las fiestas y que se divide a todos. En estas fiestas, **RASCALE**



TEXAS LOTTERY

## HEADLINE

When you scratch, the holidays just get better.

This holiday, gift something that will surely get the party going and is really fun for all. This holiday, scratch away.

**"Scratch Away"** 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

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psy to its bondholders. The austerity measures mean  
See **GREEK** Page 2A

**SI LE RASCAS, ESTAS FIESTAS SE PONEN MEJOR.**

Esta temporada, regala algo que seguro anima las fiestas y que si divierte a todos. En estas fiestas. **RASCALE.**

**TEXAS LOTTERY**

**HEADLINE**

When you scratch, the holidays just get better.

This holiday, gift something that will surely get the party going and is really fun for all. This holiday, scratch away.

# "Scratch Away" 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combat commanders

See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

defining on its debt. Though it came after days of intense debate and the resignation of several ministers in protest, in the

pay to its bondholders. The austerity measures mean  
See **GREEK** Page 2A

**SI LE RASCAS, ESTAS FIESTAS SE PONEN MEJOR.**

Esta temporada, regala algo que seguro anima las fiestas y que sí divierte a todos. En estas fiestas, **RASCÁLE.**

**TEXAS LOTTERY**

## HEADLINE

When you scratch, the holidays just get better.

This holiday, gift something that will surely get the party going and is really fun for all. This holiday, scratch away.

**“Scratch Away”** *Out of Home – Billboard*



HEADLINE:

When you scratch, the holidays just get better.

COPY:

Gift the gift that's always wanted.



HEADLINE:

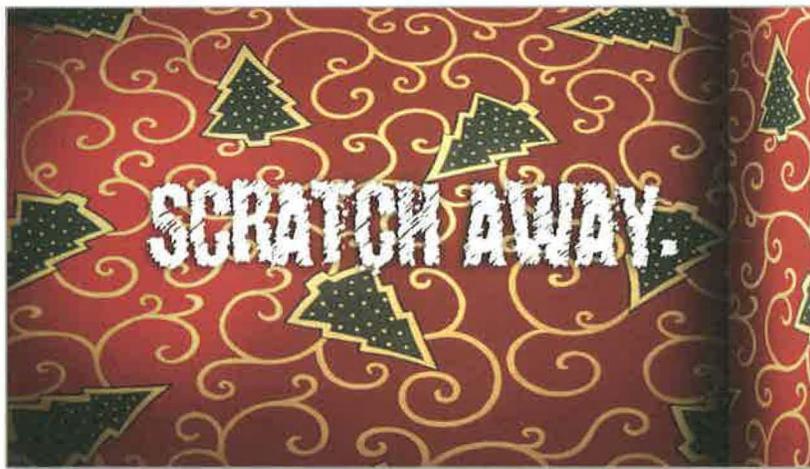
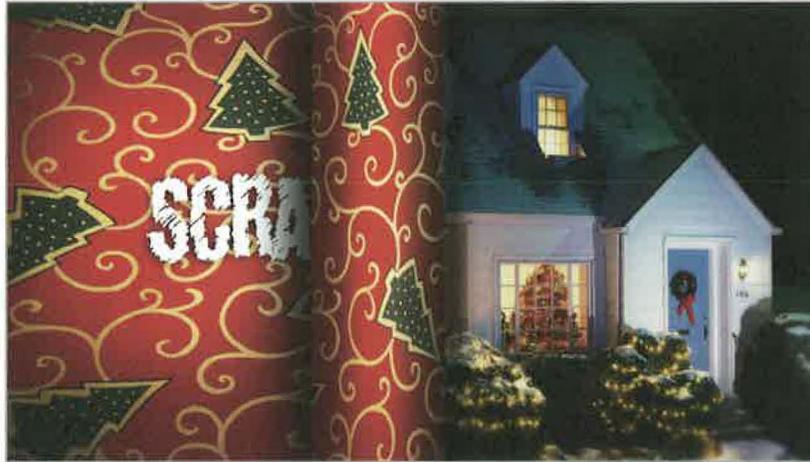
When you scratch, the holidays just get better.

COPY:

Gift the gift that's always wanted.

## “Scratch Away” Television Mnemonic

All commercials will feature a unique visual mnemonic device that reinforces the gift-giving message. Holiday wrapping paper rolls across the last frame of the ad. The paper is then scratched away to reveal the Texas Lottery logo.



## “Scratch Away” Television

### “Lights Out” :30 TV

It's the middle of the night in a suburban neighborhood. We see a guy tossing and turning in bed, covering his head with a pillow in a failed attempt to block out the bright light streaming through his bedroom window. Fed up, he exits. We see him outside shielding his eyes against the light as we reveal his neighbor's house that is adorned with every blinking, blinding, lit-up holiday decoration you can imagine. The man raises his hand and begins making a scratching motion with his arm. Cut to his POV and we see he has scratched out a majority of the offending decorations, “erasing” them as if playing a scratch-off game.

**VO:** Scratching makes the holidays better.

Cut to people enjoying Holiday Scratch-Offs.

**VO:** Give the gift that makes every holiday a little better by making every holiday a lot of fun.

Cut to logo.

**VO:** Holiday Scratch-Offs from the Texas Lottery. Scratch away.



## “Scratch Away” Television

### “Parking” :30 TV

It's the final days before Christmas and the shopping malls are overflowing. We see a woman circling and circling, looking for a spot. After making a few laps and just missing a few spots, she's finally had enough. She stops her car and rolls down the window. She reaches out with her arm and starts making a scratching motion in the air. We cut to her POV and we see she has scratched away part of the median, “erasing” the curb as if playing a scratch-off game and creating a primo parking spot right by the entrance to the mall.

**VO:** Scratching makes the holidays better.

Cut to people enjoying Holiday Scratch-Offs.

**VO:** Give the gift that makes every holiday a little better by making every holiday a lot of fun.

Cut to logo.

**VO:** Holiday Scratch-Offs from the Texas Lottery. Scratch away.



## “Scratch Away” Television – Hispanic Market

### “December 24” :30 TV

We open on a kitchen where we see the classic holiday dinner dishes: tamales, pork, empanadas, rice, beans, etc. We see the sink where dirty dishes are placed. The dirty plates, glasses and pans continue to stack up until there is a huge pile. Mom walks up to the sink and stares at the pile with a panicked look. She reaches up with her hand and begins to scratch off the pile.

**VO:** Si le rascas estas fiestas se ponen mejor.  
Regala un raspadito de la Lotería de Texas  
y ráscale a la diversión.

(When you scratch, the holidays just get better. Gift a Texas Lottery scratch-off and scratch the fun. )



## "Scratch Away" Television – Hispanic Market

### "Carolers" :30 TV

We open to see a Parranda (carolers/house crashers) at the door of a Hispanic home. The group is all singing the typical song "Cascabel" (Jingle Bells) that goes,

**Song:** Cascabel, cascabel, lindo cascabel...  
(Jingle bells, jingle bells, jingle all the way...)

Within the group of singers, one stands out. He holds a "pandero/tambourine" in one hand. He's playing loudly but noticeably off rhythm while he moves and shakes, trying to pull off "smooth Latin lover" moves. The rest of the group and the owners of the house are a bit annoyed by this character. The woman of the house reaches up and begins to scratch away the Parranda.

**VO:** Si le rascas estas fiestas se ponen mejor.  
Regala un raspadito de la Lotería de Texas  
y ráscale a la diversión.

(When you scratch, the holidays just get better.  
Gift a Texas Lottery Scratch off and scratch  
the fun.)



## “Scratch Away” Radio

### “Make the Holidays Better” :60 Radio

VO (GEICO guy, Don Pardo, over-the-top announcer type)

**VO:** Texas Lottery fact: scratching makes the holidays better.

Even the creepy guy who keeps raising the mistletoe above his head as every “little lady” passes by.

**SFX:** Scratching.

**CREEPY GUY:** Hey! I just wanted a little ...

**VO:** Yeah, we know, Mr. Creepy Guy. We know.

Or like the blinding house down the street that we’re pretty sure aliens complain about.

**SFX:** Scratching.

**SFX:** the sound of the power going out.

**VO:** Or even Uncle Billy who’s told the same ol’ story about his childhood pet porcupine, Prickly Pete, ever since you can remember.

**SFX:** Scratching.

**UNCLE BILLY:** But I thought you liked the story about ...

**VO:** Sorry, Uncle Billy.

**VO:** Yep, scratching definitely makes the holidays better. So make their holidays better with a Holiday Scratch-Off card from the Texas Lottery. And scratch away, my friend. Scratch away.

**SFX:** Scratching.

**VO (reacting):** Hey, wait, has it been 60 seconds already ...

**VO (fades out.)**



## “Scratch Away” Radio – Hispanic Market



### “Carolers” :60 Radio

This radio execution features holiday “Parrandas” (carolers/house crashers). These carolers are much anticipated and celebrated by Hispanics during the season. Typically, in every group there is a singer who has no rhythm, but who strives to play the tambourine loudly enough to throw everyone off.

**SFX:** Doorbell rings.

**MUSIC:** Cascabel, cascabel, lindo cascabel  
(Jingle bells, jingle bells...)

We hear all the instruments start to play the song. Suddenly, a loud, obnoxious tambourine, completely out of rhythm, overpowers the song. The music stops.

**MAN:** Hold on, hold on, let's start again, from the top, a one, a two, a one, two, three.  
Para, para, para... otra vez, desde arriba, un, dos, un, dos, tres...

**MUSIC:** Cascabel, cascabel, lindo cascabel  
(Jingle bells, jingle bells...)

**CROWD:** Brother, come on, get on with it. Get with the beat, man...  
(Pero compadre -- ya no descuadre. Por favor Javier, entra a tiempo compadre...)

**MAN:** Okay, one more time, let's go. A one, a two, a one, two, three.  
(A ver, una vez más, vamos. Un, dos, un, dos, tres...)

**MUSIC:** Cascabel, cascabel, lindo cascabel  
(Jingle bells, jingle bells...)

The music starts and the tambourine begins to play even louder and more distractingly. Suddenly, we hear a loud SCRATCH.

**SFX:** Scratching sound. We hear the tambourine being scratched away as the song continues to play in the background while the VO comes in.

**MUSIC:** Cascabel, cascabel, lindo cascabel  
Con sus notas de alegría va anunciándose- e  
Cascabel, cascabel, lindo cascabel  
Con sus notas de alegría va anunciándose- e  
Jingle bells, jingle bells, jingle all the way  
Oh what fun it is to ride in a one horse open sleigh, hey  
Jingle bells, jingle bells, jingle all the way  
Oh what fun it is to ride in a one horse open sleigh, hey

**VO:** Si le rascas estas fiestas se ponen mejor. Regala un raspadito de la Lotería de Texas y ráscale a la diversión.  
(When you scratch, the holidays just get better. Gift a Texas Lottery Scratch-Off and scratch the fun.)

## “Scratch Away” Digital – Online Ad Units



Give the gift that makes any holiday a little better.

**SCRATCH AWAY.**



[Closest Retailer](#) **TEXAS LOTTERY** 

Our banner starts by panning across the screen. We see a guy with a blank stare. Then we reveal a young girl throwing a tantrum. When the panning stops, the word “scratching” fades up. Suddenly, the little girl begins to get scratched away and the remaining headline is revealed.

After a couple of seconds, our image blurs and the call-to-action type will slide in with the Lottery cards, logo and button to find your closest retailers.

## “Scratch Away” Digital – Online Ad Units

SCRATCHING

SCRATCHING  
MAKES THE  
HOLIDAYS  
BETTER.

Give the gift  
that makes  
any holiday  
a little better.

SCRATCH AWAY.

Closest Retailer ▶

TEXAS LOTTERY

18 DAYS TO SHOP

The banner opens on a Christmas tree. A cheesy-looking guy holding a mistletoe twig slides across, revealing the word “scratching.” When he comes to a stop, suddenly his body begins to get scratched away. As the scratching progresses, the remainder of the headline (“makes the holidays better”) fades up. After a couple of seconds, the guy and headline slide out of frame to the right and the payoff copy, Lottery cards and logo lockup converge from all angles. Lastly, a countdown dashboard slides up with a number and then text “days to shop” reminds the viewer how many days they have left to shop for the holidays.

# "Scratch Away" Digital – Rich Media Online Ad Units



On this Web page, our character, in this case, a creepy guy holding mistletoe, dances across the page, obscuring the page's content.

Our guy is blowing kisses at you while holding the mistletoe twig above his head. A quarter rolls in and stops with an action line, "Scratch Away." Grab the coin with your cursor and drag it over to the guy. Then scratch him away with each swipe.

“Scratch Away” Digital – Hispanic Market Online Ad Units



When you scratch,



When you scratch, the holidays just got better.

Esta temporada, regala algo que seguro anima las fiestas y que sí divierte a todos.

**RASCALE.**

A stack of scratch-off lottery tickets, including one with a red and white striped ribbon graphic and another with a green and yellow design.

TIENDA MÁS CERCANA **TEXAS LOTTERY**

This holiday, gift something that will surely get the party going and is really fun for all. This holiday, scratch away.

Button: Closest Retailer

**“Scratch Away”** Digital – Hispanic Market Online Ad Units



When you scratch...



When you scratch, the holidays just get better.



This holiday, gift something that will surely get the party going and is really fun for all. This holiday, scratch away.

Button: Closest Retailer

## “Scratch Away” Promotion – Opponents Scratch Away Game



Make this game a lot better. Scratch away the opponent's free throws. C'mon, make some noise with your Texas Lottery coin!

And make the holidays better for everyone on your list. With a Holiday Scratch-Off.



### *"The Scratcher"*

Every fan will find a coin in their seat before the game.

The PA announcer will prompt fans to "scratch" their coin when the opponent steps up to the free-throw line. It'll make a deafening scratching sound and hopefully distract the shooter.

**“Scratch Away”** In Store – Convenience Store



Low Tack Cling  
6" x 9"



**“Scratch Away”** *In Store – Convenience Store*



PlayStation Insert  
18" x 5"



**“Scratch Away”** In Store – Convenience Store



Jumbo Claim Poster  
48" x 22"



**“Scratch Away”** In Store – Convenience Store



Pump Topper  
18" x 10"



*"Scratch Away" In Store – Grocery Store*



Conveyor Belt POS  
24" x 48"



**"Scratch Away"** In Store – Grocery Store



Sanitation Dispenser

8" x 10"



**“Scratch Away”** *In Store – Liquor Store*



Shelf Talker  
11" x 5"



**“Scratch Away”** In Store – Liquor Store



Cooler Vault Handle  
3" x 10"



## “Scratch Away” Dry Cleaner Bags



Dropping off and picking up dry cleaning during the holidays is a chore, but gift giving doesn't have to be. This holiday, the Texas Lottery gets the word out about their easy gift solution of Holiday Scratch-Offs on everyday items that customers see and use regularly.

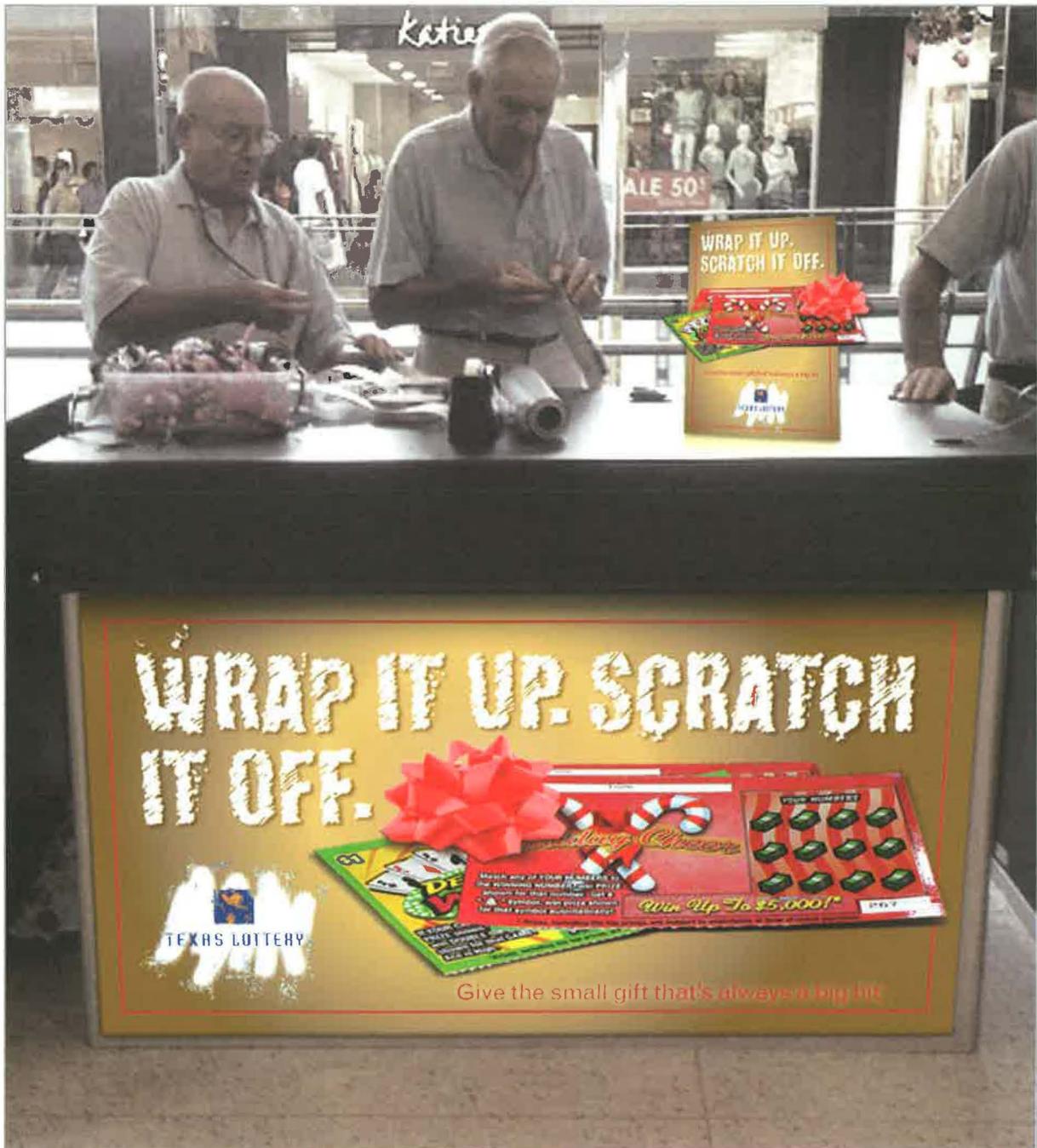


## “Scratch Away” Mall Promotion



Imagine a long day of holiday shopping at malls, complete with crowds, stress and chaos. Now imagine someone coming to the rescue with quick-and-easy solutions that eliminate some of that angst. That "someone" is the Texas Lottery.

With free gift-wrapping stations in major Texas malls and Holiday Scratch-Offs available at each station, the Texas Lottery has the holidays all wrapped up for harried shoppers.



## Consumer Reaction – Scratch Away

- Campaign strongly delivers the anticipation of the scratch-offs and the excitement and fun that come along with it.
- The campaign communicates a take-control attitude that was found to be highly appealing – you can scratch away the less desirable things at the holidays.
- Fun, humorous tone has high impact and potential for great breakthrough.
- Visual treatment is seen as highly engaging and involving and allows for strong consumer participation.

### Verbatims

*“Brilliant! It is the anticipation. It entices you to think about Scratch-Offs as a gift.”*

*“There’s great anticipation in a Scratch-off.”*

*“It is the present that you cannot wait to unwrap.”*

*“They are exciting and irresistible. People enjoy receiving.”*

*“Scratch-offs are the type of gift that you must ‘open’ immediately...can’t wait for later, they’re irresistible.”*

*“The gift receiver will really like it and can’t wait to see ‘what lies beneath’ the silver lining.”*

*“I think that when you scratch off on the card it is like the unwrapping of a gift.”*

*“Scratch-offs are a small cost gift with potential for a big reward.”*

*“They’re irresistible. People will appreciate the gift because they enjoy the feeling of suspense.”*

*“Porque nadie puede esperar en abrirlo.” “No one can wait to open it.”*

*“Es una sorpresa para todos lo que se oculta detras de la tinta de plata. No se puede resistir.” “It is a surprise for everyone, what is hidden behind the silver ink. You can’t resist it.”*

*“Que despiertan gran emocion y por tanto se vuelve irresistible en abrirlos.”*

*“They ignite great excitement and thus makes it irresistible to open them.”*

*“Inspira a jugar. ¡Excitante!” “Inspires to play. Exciting!”*

*“Son eelente regalos para navidad.” “They are great gifts for Christmas.”*

*“Que son regalos irresistibles. Que es un regalo que le gustara a todos.” “That they are irresistible gifts. That it is a gift that everyone will like.”*

*“Que vas a querer abrirlo rapido.” “That you are going to want to open them quickly.”*

# Scratch Away

¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

What did the ad tell you? i.e. the main idea or key thought.

Te están retando y al mismo tiempo motivando y poniendo en duda.  
Retando porque te dice son irresistibles.  
Motivando porque te hablan de tesoros que pudieras encontrar.  
Duda porque te dicen que son mis tontas.

Basado en este anuncio, ¿por qué darías un raspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

Porque son irresistibles y todo el mundo les va a querer por la emoción de la sorpresa.

"They are daring you and at the same time motivating you and putting you in doubt. Daring you because they say they're irresistible. Motivating you because it talks about the treasures you could find. Doubt because it tells you that they're mysterious."

"Because they're irresistible and everyone in the world will want one because of the excitement of the surprise."

¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

What did the ad tell you? i.e. the main idea or key thought.

Tells Me That It's Not The Value Of The Gift That You Give Someone To "Wow" It. It Can Be Something As Simple As A Scratch-Off.

Basado en este anuncio, ¿por qué darías un raspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

I Would Give This As A Gift Because That It's Not About The Points.

¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

What did the ad tell you? i.e. the main idea or key thought.

raspaditos ya no te puedes esperar quieres jugar ya.

Basado en este anuncio, ¿por qué darías un raspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

"Scratch-offs – you can't wait. You want to play, now."

### idea 3



## The Gift of a Million Faces

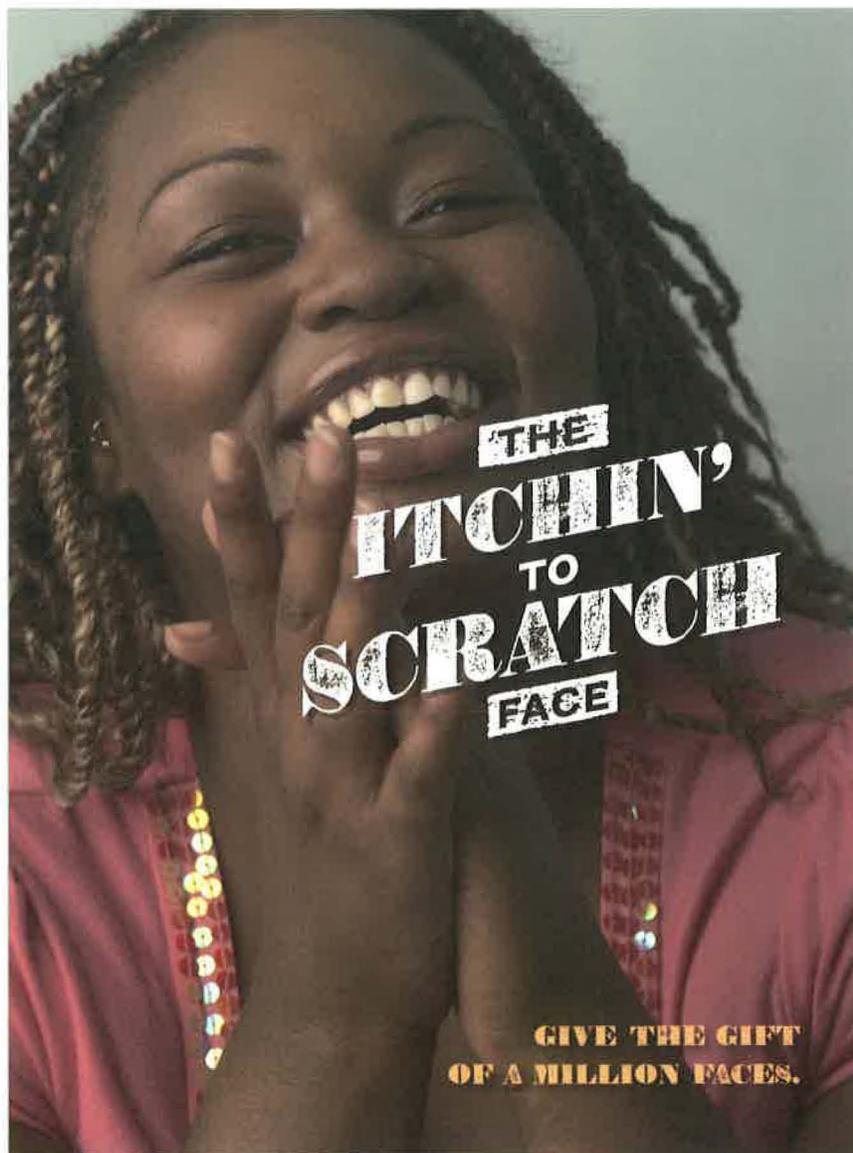
The holidays are a time of heightened emotions. And as a gift-giver, the success of a gift is judged by the reaction of the recipient. Holiday Scratch-Offs from the Texas Lottery are the one gift that can elicit almost every emotion. From the surprise of receiving the unexpected, to the anticipation to see what it might reveal, to the excitement of actually playing, and to the satisfaction and joy that come regardless of whether you win – they are truly the gift of a million faces.

## The Execution: General Market

# The Gift of a Million Faces

Surprise. Delight. Anticipation. Apprehension. Joy. Satisfaction. "The Gift of a Million Faces" is all about capturing real people, in real moments, showing the real emotions that come from giving, receiving and playing Holiday Scratch-Offs from the Texas Lottery. A graphic headline treatment appears next to the images of these faces, offering a fun look at the situation and emotion the person featured might be feeling.

In television, we put these moments in motion and take the opportunity to present the other sides of the story by featuring the gift givers or onlookers as well as the receivers, and a fun take on each person's unique point of view of the fun and excitement at hand.

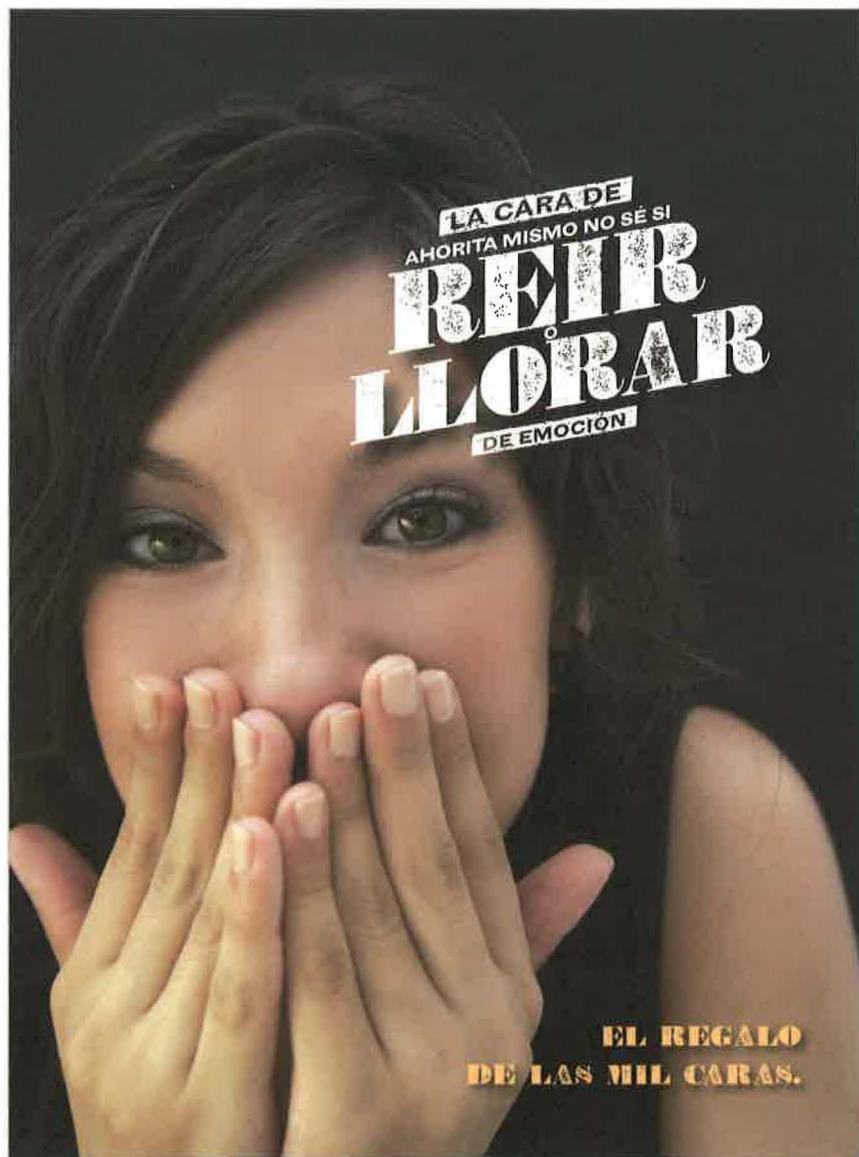


## The Execution: Hispanic Market

# The Gift of a Million Faces

The campaign includes the rich diversity of the Hispanic Texas population. In the Spanish language advertising there is an opportunity to resonate with colloquial phrases, unique mannerisms and well-known expressions that depict our consumer – becoming a true reflection of the incredible and exciting moments and emotions that arise when playing Texas Lottery Scratch-Offs. Copy will play up the emotional payoff of those reactions to create more memorable Texas Lottery Scratch-Off moments.

Also note that in the back translation of the Hispanic work the line “El regalo de las mil caras.” has been translated as “The gift of a thousand faces” to be faithful to the actual words used. The sentiment of this word “mil” or “thousand,” as is used in its everyday colloquial application, implies million/many/lots/tons.



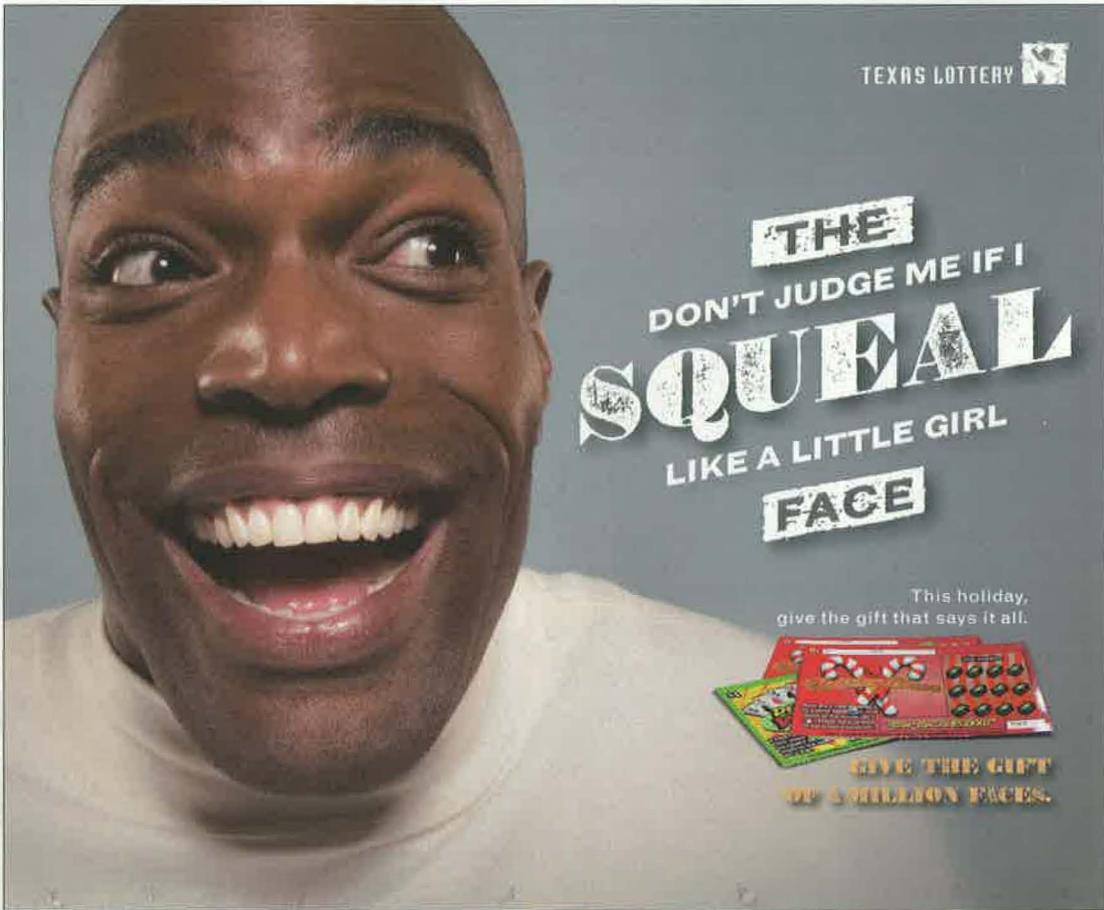
**"The Gift of a Million Faces"** 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Vamizetos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

defaulting on its debt. Though it came after days of intense debate and the resignation of several ministers in protest, in the

pay to its bondholders. The austerity measures mean  
See **GREEK** Page 2A



TEXAS LOTTERY

**THE**  
DON'T JUDGE ME IF I  
**SQUEAL**  
LIKE A LITTLE GIRL  
**FACE**

This holiday,  
give the gift that says it all.

**GIVE THE GIFT  
OF A MILLION FACES.**

**“The Gift of a Million Faces”** 1/2 Page Newspaper – African-American Market

commanders and the State Department. The military's regional consultant commanders

See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

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The austerity measures mean

See **GREEK** Page 2A

TEXAS LOTTERY 

**THE  
THIS ALMOST  
MAKES  
UP FOR  
LAST YEAR  
FACE**

This holiday,  
give the gift that says it all.



**GIVE THE GIFT  
OF A MILLION FACES.**

**"The Gift of a Million Faces" 1/2 Page Newspaper – African-American Market**

commanders and the State Department. The military's regional combatant commanders

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See **GREEK** Page 2A

**THE JUNGLE ALL THE WAY FACES**

TEXAS LOTTERY

This holiday, give the gift that says it all.

**GIVE THE GIFT OF A MILLION FACES.**

“The Gift of a Million Faces” 1/2 Page Newspaper – Hispanic Market

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Though it came after days of intense debate and the resignation of several ministers in protest, in the  
pay to its bondholders.  
The austerity measures mean  
See **GREEK** Page 2A

TEXAS LOTTERY 

LA CARA DE  
AHORITA MISMO NO SÉ SI  
**REIR**  
**LLORAR**  
DE EMOCIÓN



Este año, regala una emoción, regala un raspadito.  
**EL REGALO DE LOS MIL CARAS.**

HEADLINE:

The “right now I don’t know if I should cry (*in happiness*) or laugh of emotion” face.

COPY:

This year gift an emotion. Gift a scratch-off.  
The gift of a thousand faces.

**“The Gift of a Million Faces”** 1/2 Page Newspaper – Hispanic Market

commanders and the State Department. The military's regional combatant commanders  
See **ADMIRAL** Page 6A

**Greek Prime Minister Lucas Papademos** (right), with Finance Minister Evangelos Venizelos, appealed Sunday to lawmakers to do their "patriotic duty" and pass the measures

declaunting on its debt  
Though it came after days of intense debate and the resignation of several ministers in protest, in the  
pay to its bondholders  
The austerity measures mean  
See **GREEK** Page 2A

TEXAS LOTTERY

LA CARA DE  
PELLIZCAME  
SI ESTOY  
SOÑANDO  
PORQUE NO ME LO CREO

Este año, regala una emoción, regala un raspadito.  
**EL REGALO DE LAS MIL CARAS.**

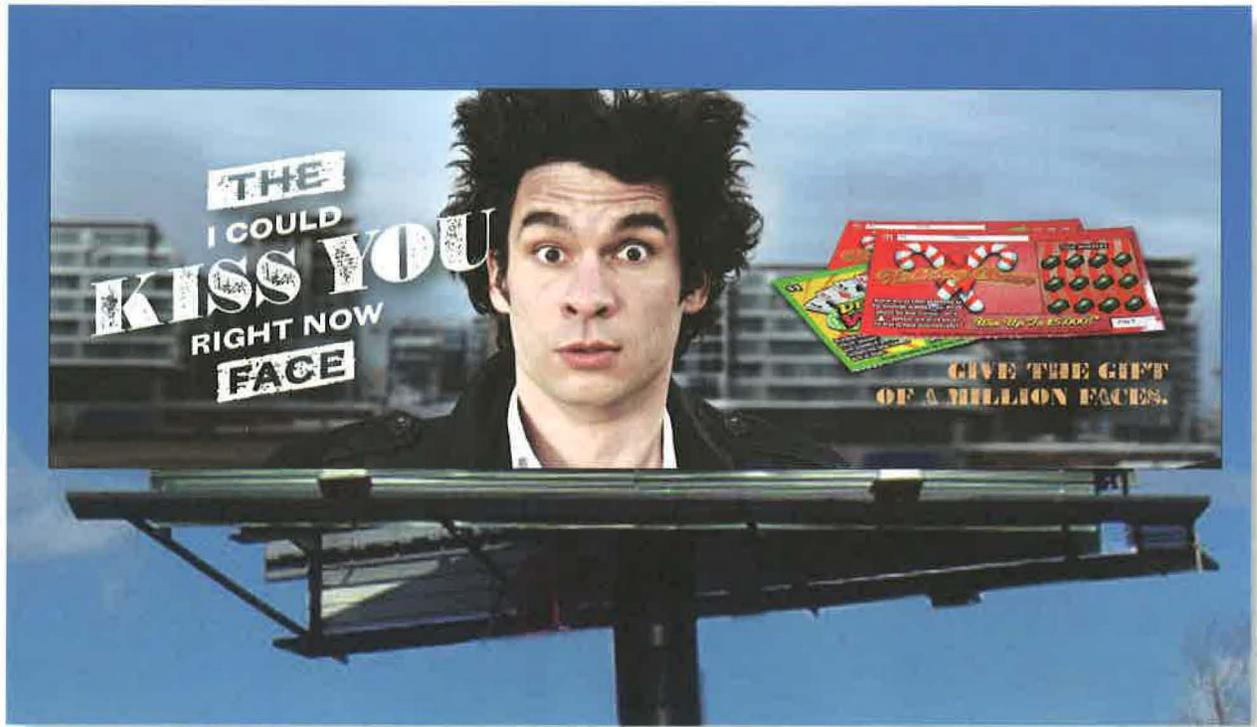
HEADLINE:

The "pinch me if I'm dreaming because I can't believe it" face.

COPY:

This year gift an emotion. Gift a scratch-off. The gift of a thousand faces.

**“The Gift of a Million Faces”** Out-of-Home – Billboard



**“The Gift of a Million Faces”** Out-of-Home – Hispanic Market Billboard



HEADLINE:  
The “I can’t believe it because I just don’t believe it” face.

COPY:  
The gift of a thousand faces.



HEADLINE:  
The “it’s better than socks” face.

COPY:  
The gift of a thousand faces.

## “The Gift of a Million Faces” *Television Mnemonic*

All commercials will feature a unique visual mnemonic device that reinforces the “Million Faces” idea. A grid of diverse faces fills the screen before quickly pulling back to reveal more and more faces that finally create the Texas Lottery logo.



## “The Gift of a Million Faces” Television

### “Doghouse” :30 TV

Open on a typical family in their living room during the holidays. It's morning and the kids are ravaging through their gifts. The mom opens one of her gifts and finds a few Holiday Scratch-Offs lying on top of a cashmere sweater. The onlooking husband is intently watching her reaction.

Type appears over a freeze-frame of his intent face.

**Super:** THE “maybe I’m out of the doghouse” FACE.

The wife picks up the cards and smiles. Type appears over her freeze-frame face.

**Super:** THE “you’ll know soon” FACE.

Mom scratching the card with the whole family around her anxiously watching.

**VO:** Give the gift of a million faces.  
Give Holiday Scratch-Offs from the Texas Lottery. And see which face you get in return.



## “The Gift of a Million Faces” *Television*

### “Chance” :30 TV

Open on several twenty-somethings at a holiday party. Everyone is sitting in the living room of an apartment exchanging gifts. We see a guy as he hands an envelope to an attractive young woman. She looks flattered. He looks confident. She opens the envelope to reveal some Holiday Scratch-Offs. She squeals and immediately hugs the guy.

Type appears over the guy's face.

**Super:** THE “maybe I have a chance” FACE.

Then we cut to one of the other guys at the party. We freeze the frame on his face. He looks disappointed.

Type appears over the other guy's face.

**Super:** THE “I don't stand a chance” FACE.

**VO:** Give the gift of a million faces.  
Give Holiday Scratch-Offs from  
the Texas Lottery. And see which  
face you get in return.



## “The Gift of a Million Faces” Television – Hispanic Market

### “Mother-in-law” :30 TV

We open on the gift-giving moment inside a Hispanic household. We see a young woman give her mother-in-law a gift as she says:

**Daughter in Law:** Ay suegrita, espero que este año sí le atine.  
*(Hope I got it right this year.)*

The mother-in-law responds quickly and, ready to criticize her daughter-in-law as usual, says:

**Daughter in Law:** Hhmm... a ver.  
*(Hhmm... we'll see.)*

Yet as she opens the gift she's extremely surprised to find that it's Texas Lottery Scratch-Offs. We freeze on her happy and surprised face as a super appears.

**Super:** La cara de ¿ESTO ES IDEA TUYA?  
*(The IS THIS YOUR IDEA face)*

We see the reaction of the daughter-in-law and we freeze on her look of satisfaction. Another super appears:

**Super:** La cara de POR FIN LA DEJE SIN PALABRAS EN LA BOCA  
*(The SHE'S FINALLY SPEECHLESS face)*

We close on a happy family moment as they scratch away at their Scratch-Offs.

**VO:** Este año regala una emoción, regala un raspadito. El regalo de las mil caras.  
*(This year gift an emotion. Gift a Scratch-Off. The gift of a thousand faces.)*



## “The Gift of a Million Faces” Television – Hispanic Market

### “Husband” :30 TV

We open on the gift-giving moment inside a Hispanic household. We see a husband approach his wife. By his tone it’s clear he’s trying to make up for something. As he gives her a gift he says:

**Husband:** ¿Entonces qué mi amorcito, estamos bien?

*(So are we all good, my dear?)*

The wife takes the gift without responding. She opens it, and her eyes widen with excitement as she sees a Texas Lottery Scratch-Off. We freeze on her happy, surprised look. Another super appears:

**Super:** La cara de SE LA RIFO

*(The YOU OUTDID YOURSELF face)*

We see the reaction of the husband and we freeze on his face of sheer delight. A super appears:

**Super:** La cara de HOY ME GANÉ ALGO MAS QUE UNOS PUNTOS

*(The I THINK I SCORED MORE THAN A FEW POINTS face.)*

We close on a happy family moment as they scratch away at their Lottery tickets.

**VO:** Este año regala una emoción, regala un raspadito. El regalo de las mil caras.

*(This year gift an emotion. Gift a Scratch-Off. The gift of a thousand faces.)*



## “The Gift of a Million Faces” Radio

### “Reaction Lab” :60 Radio

**SFX:** footsteps, crowded room ambience. Every once in a while we hear a squeal or a shout of excitement.

**LAB GUY:** Here at the Texas Lottery Reaction Laboratory, we're counting all the different reactions folks give when they receive a Holiday Scratch-Off from the Texas Lottery.

(An almost whisper) Ah, just in time. An unsuspecting gentleman is receiving our Holiday Scratch-Off ... here comes the reaction ... looks like ... yup, the “fingers and toes crossed” face.

Nice. That's the fifth one this week. Moving on.

(Quietly) ... ah, the subject is pulling the bow off a Merry Crosswords game ... and we have the ... “don't ... judge me ... if I scream like a little girl” face. Don't worry, sir.

Let's keep moving.

(Quietly) I have a good feeling about this subject.

She's reaching into a stocking for what looks like a handful of Holiday Scratch-Offs ... And it's ...

(Louder/revelation) The “the turkey is burning and I don't care” face. Hmmm, that's a new one. Add it to the list.

### **ANNCR:**

This season, give the gift of a million faces. With Holiday Scratch-Off cards from the Texas Lottery. And see which reaction you'll get in return.

**LAB GUY:** I'm thinking she should order pizza this year.



## “The Gift of a Million Faces” Hispanic Market Radio



### “Faces” :60 Radio

In the voice of a familiar narrator, this radio execution describes how you can change the face of the holidays by giving the gift of Texas Lottery Scratch-Offs. Contrasting the facial reactions to gifts received in prior holidays, it leverages a problem-solution structure to clearly convey the message, “give the gift that gets the best reactions – a thousand faces.”

**VO:** The holidays are here and with them comes the time to look for gifts for those people we love so dearly.  
*(Llegaron las fiestas y con ellas la época de regalarle a la gente que tanto queremos.)*

Yeah, like our lovely mother-in-law that no matter the gift, she always makes that face of: this is not criticism, it's just an observation.

*(Sí, como a nuestra querida suegra que no importa el regalo ella pone cara de: no es crítica es observación.)*

Or the typical coworker that, year after year, during the gift exchange, when she opens her gift, she makes a face of utter dissatisfaction.

*(O la compañerita de la oficina, que año tras año al abrir su regalo pone su cara de: que inconformidad.)*

Or our know-it all brother-in-law, who never needs anything, and no matter what he receives he makes the: “I already have this” face.

*(O al cuñado sabe'otodo que jamás necesita nada y reciba lo que reciba pone la cara de: esto ya lo tenía.)*

Or the love of your life, whose face still lights up at any original, different and fun gift we give them.

*(O nuestra media naranja, que aun se le ilumina su carita cuando le damos algo original, diferente y divertido.)*

Well thinking about these dear characters and their famous faces, the Texas Lottery has the perfect solution: A scratch-off. Aha! You see, even YOU just made a “REALLY???!?” face. And well, of course, the Texas Lottery scratch-offs are surprising, fun and exciting. This is why people make a thousand faces, when they open a gift and discover a Lottery scratch-off.

*(Pues pensando en estos queridos personajes y sus famosas caras, la Lotería de Texas te tiene la perfecta solución: un raspadito. Ves, hasta tu, ahora mismo pusiste cara de sorpresa. Y como no, los raspaditos de la Lotería de Texas son sorprendivos, divertidos y emocionantes. Por eso cuando la gente abre un regalo y descubre que es un Raspadito de la lotería ponen mil caras de:)*

**Mother-in-law:** I'm speechless!  
*(¡Me has dejado sin palabras!!!)*

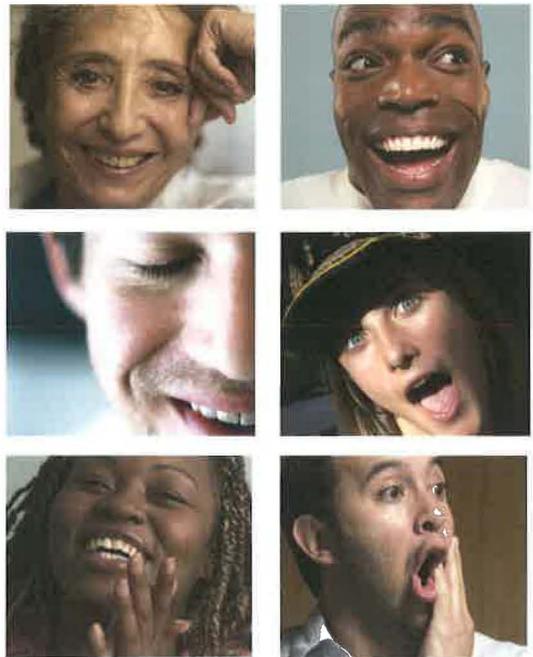
**Co-Worker:** Wow, you nailed it!  
*(¡Guau te la rifaste!!!)*

**Brother-in-law:** I'm going to scream of joy!  
*(¡Voy a gritar de emoción!!!)*

**Woman:** I could give you a thousand kisses, right now!  
*(¡Te podría dar mil besos!)*

**VO:** So this season don't complicate yourself and give the gift that will arouse a thousand emotions, a Texas Lottery scratch-offs. The gift of a thousand faces.  
*(Así que esta temporada no te compliques y despierta mil emociones con un regalo, el raspadito de la Lotería de Texas. [El regalo de las mil caras.]*

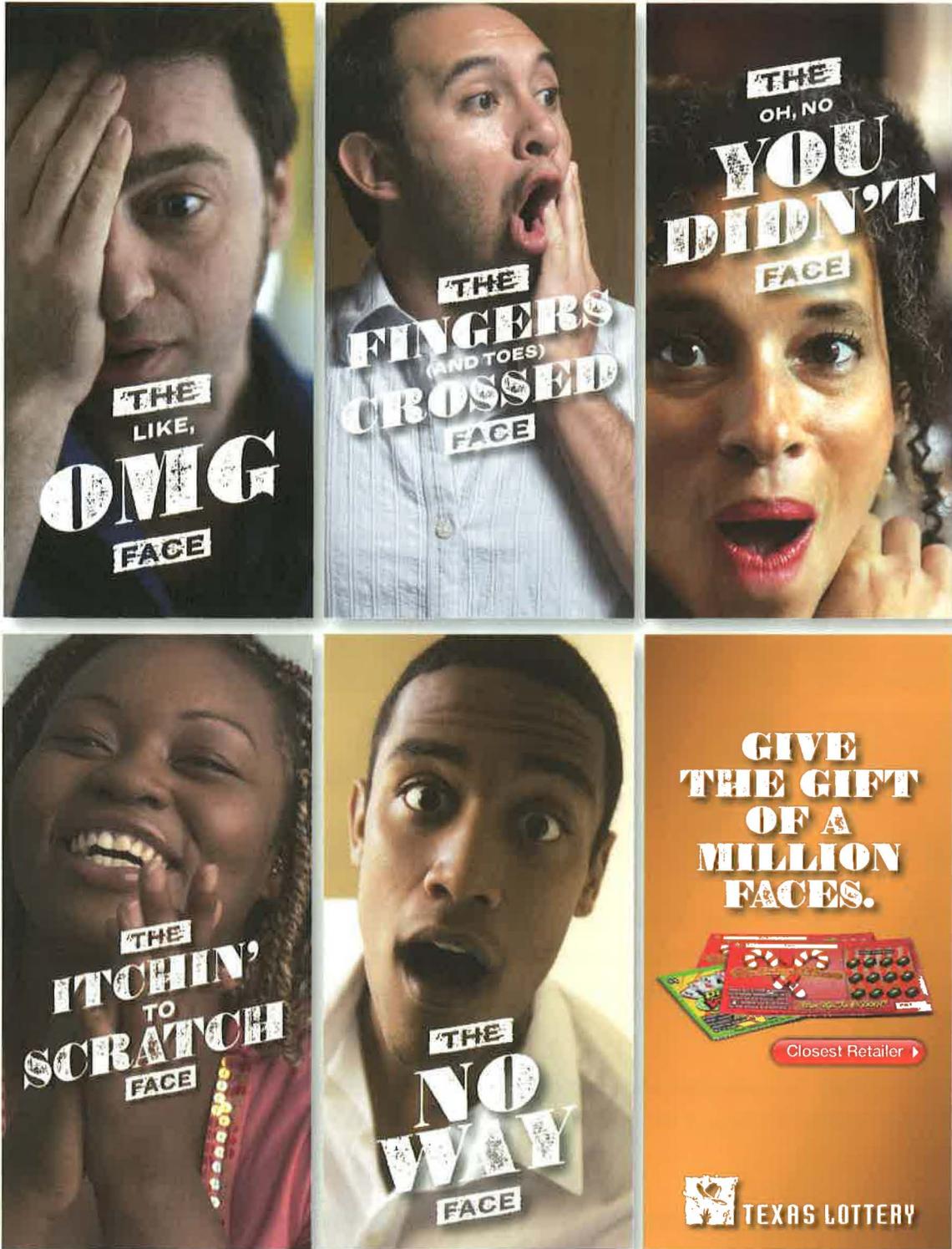
**“The Gift of a Million Faces”** Digital – Online Ad Unit



The banner loads on the surprised face of a man. It flashes through a variety of people and expressions, picking up speed. Type animates over the top of the frame, revealing that scratch-offs are the gift of a million faces.



**“The Gift of a Million Faces”** Digital – Online Ad Unit



The banner loads on the surprised face of a man with a headline sitting on top. The image slides left to reveal the next face and headline. After going through a series of faces and headlines, we end on a frame that reads, “Give the gift of a million faces.” The frame continues to build with Holiday Scratch-Offs sliding in from right and the logo rising up from the bottom.

## “The Gift of a Million Faces” Social – Facebook Promotion

### facebook Help us get to a Million Faces



This holiday season, show us the face you give when you win something, get good news or have a good time. Big smiles, loud laughs, surprise looks. Our goal is to get a million faces posted on the Texas Lottery Facebook page. Post pictures of your dog's face, cat's face, fish's face, friends' faces, etc.

Our Facebook fans will vote for the best ones and then we'll create one of next year's Holiday Scratch-Offs based on your submissions. We'll print scratch-offs with the winners' photos on them.

Give us a million faces. Submit your photos today. And you might see yourself on a scratch-off soon.

**“The Gift of a Million Faces”** Digital – Spanish Market Online ad unit



1. The "right now I don't know if I should cry (*in happiness*) or laugh of emotion" face.

4. The "I can't believe it because I just don't believe it" face.

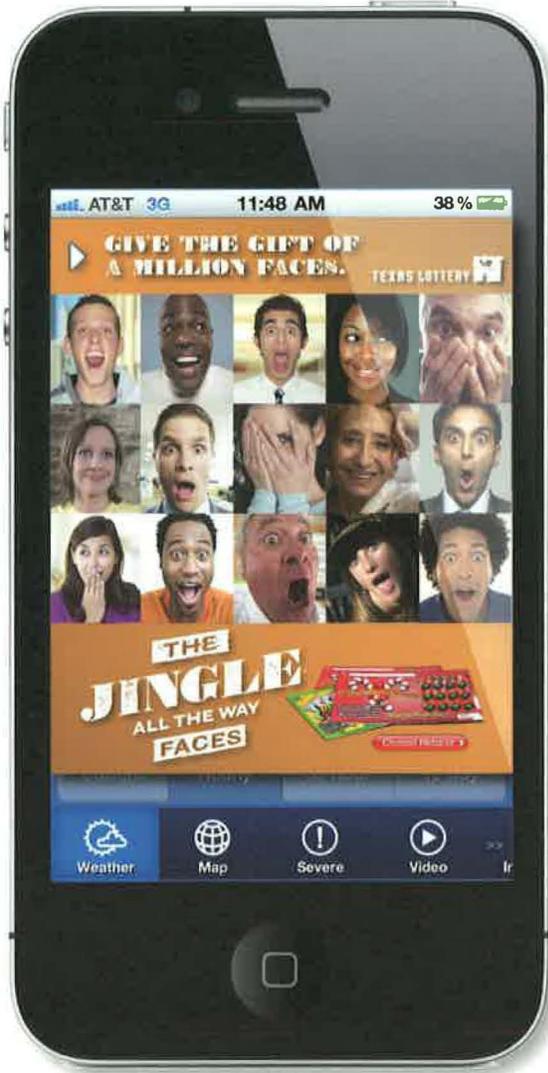
2. The "pinch me if I'm dreaming because I can't believe it" face.

5. The "I think I scored more than a few points" face.

3. The "in any case it's better than the same socks year after year" face.

6. This year gift an emotion. Gift a scratch-off. The gift of a thousand faces.

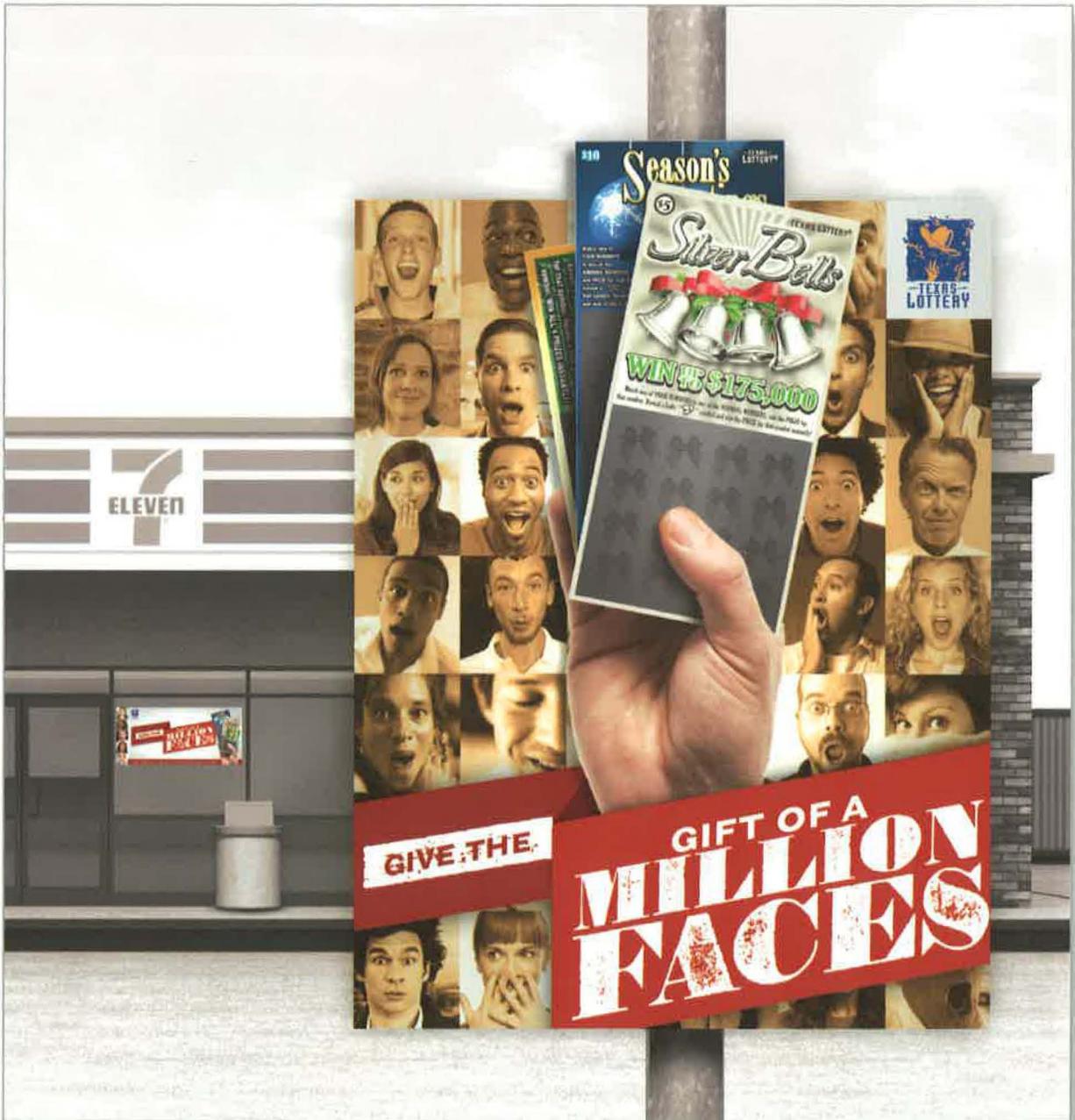
“The Gift of a Million Faces” Mobile – Ad Unit



**“The Gift of a Million Faces”** In Store – Convenience Store



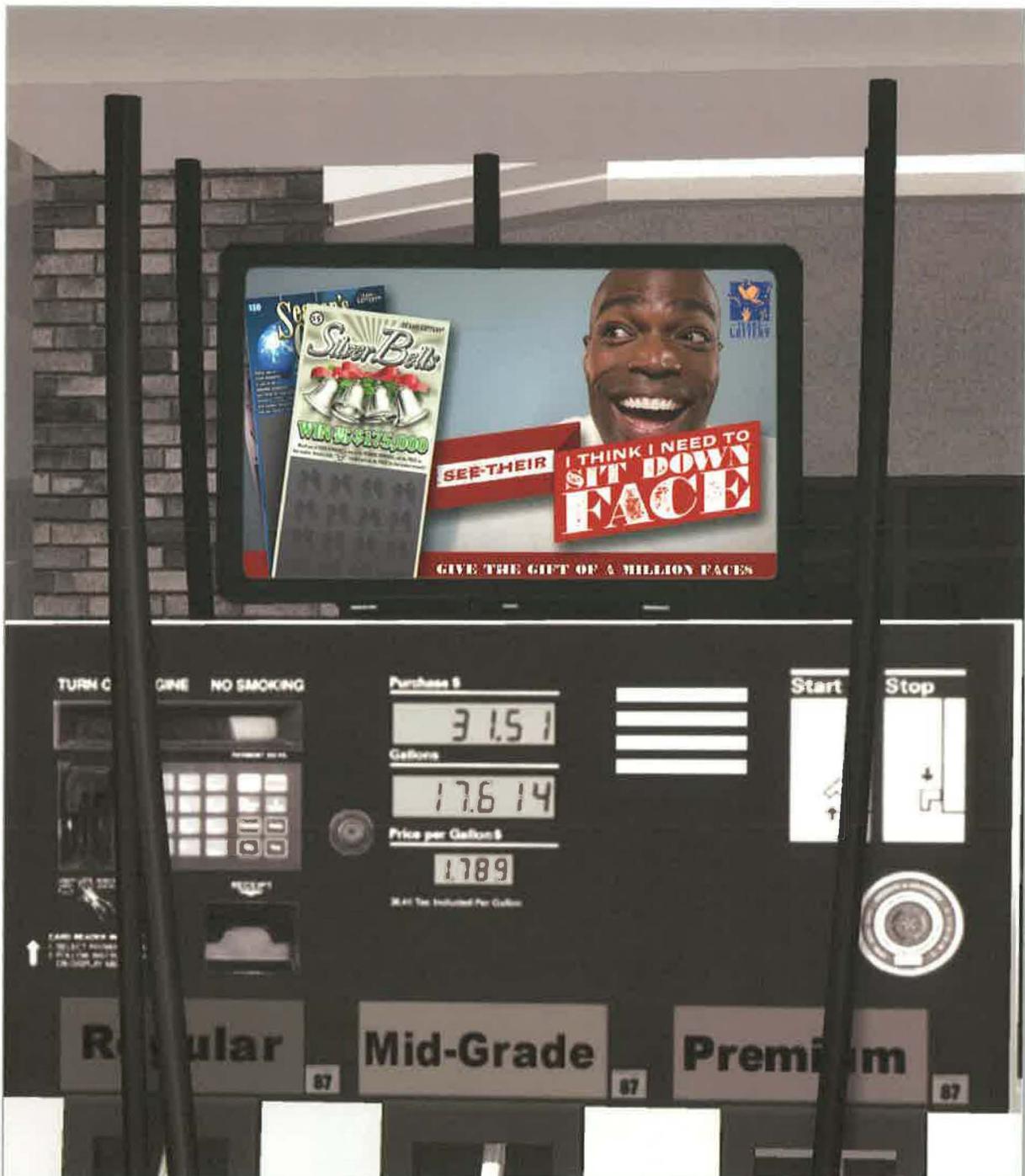
Coroplast Sign  
Diecut 22.75" x 32.25"



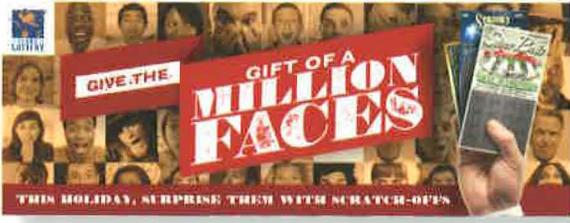
**“The Gift of a Million Faces”** *In Store – Convenience Store*



Pump Topper  
18" x 10"



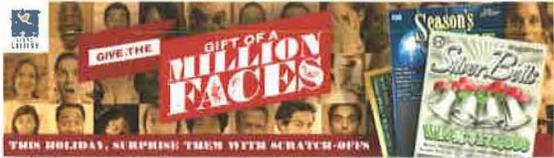
**“The Gift of a Million Faces”** *In Store – Convenience Store*



Jumbo Claim Poster  
Diecut 48" x 22"



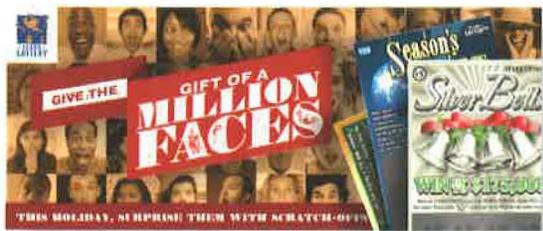
**"The Gift of a Million Faces"** In Store – Convenience Store



Playstation Insert  
18" x 5"



**“The Gift of a Million Faces”™** In Store – Convenience Store



Change Mat  
15" x 7"



## “The Gift of a Million Faces” In Store – Grocery Store



Window Poster  
24" x 36"

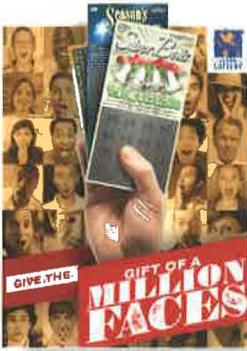


**“The Gift of a Million Faces”** In Store – Grocery Store

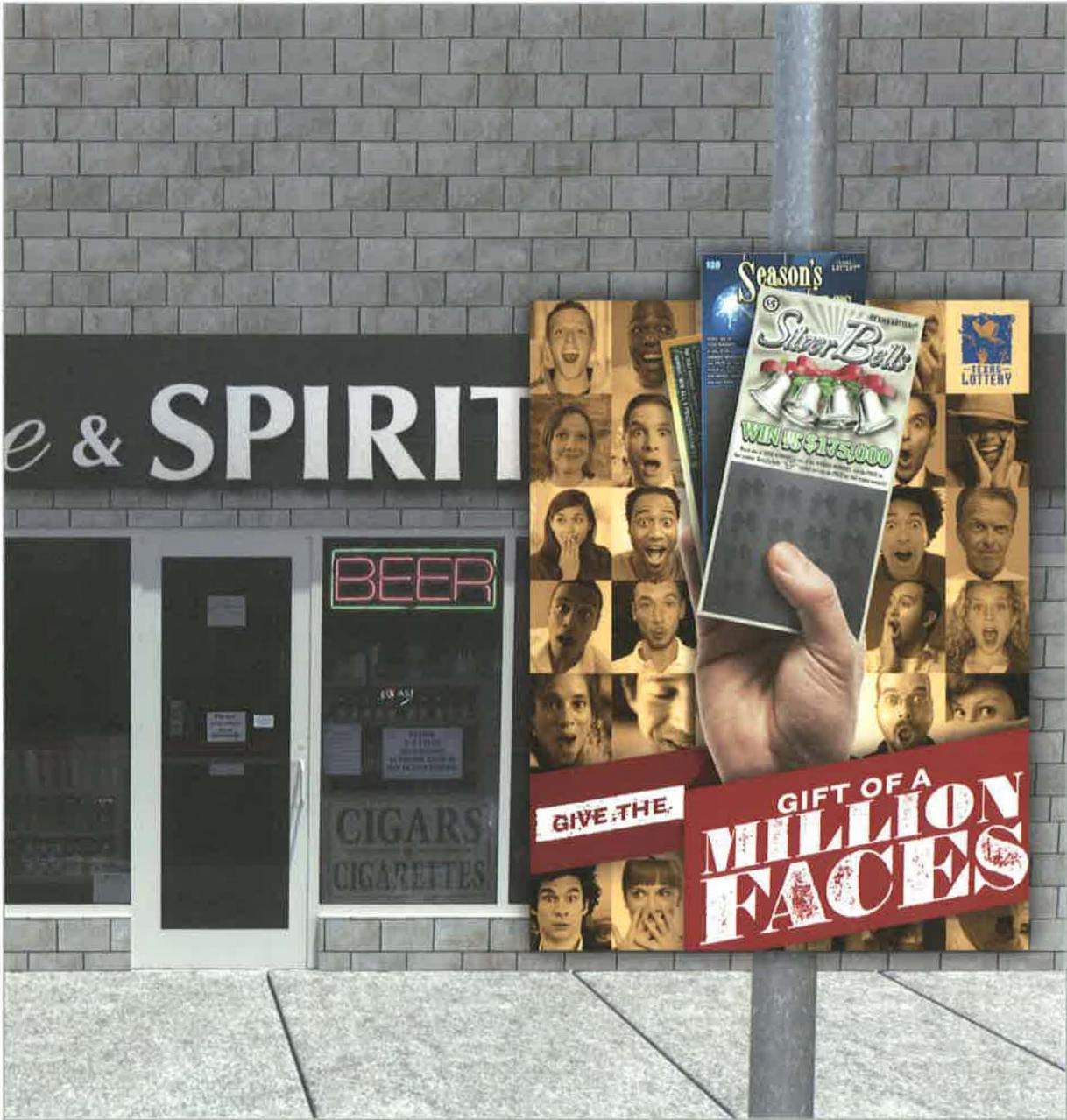
Shopping Cart Placement  
10.5" x 8"



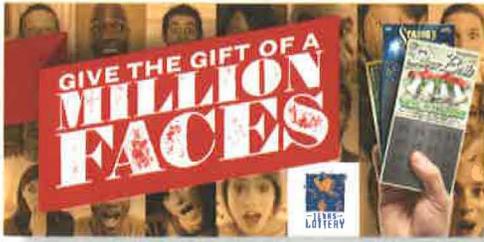
**"The Gift of a Million Faces" In Store – Liquor Store**



Coroplast Sign  
Diecut 22.75" x 32.25"



**“The Gift of a Million Faces”** *In Store – Liquor Store*



Register Topper  
8" x 4"



## “The Gift of a Million Faces” *Scratch-Off Transitions on Jumbotron*

The “kiss cam” concept gets festive with Holiday Scratch-Offs from the Texas Lottery.

At selected sporting events in Texas stadiums and arenas, the Texas Lottery will award lucky attendees with the perfect, unexpected gift – tickets to an upcoming sporting event for free.

Fans watch the Jumbotron during the game. If their face is revealed under the silver of the superimposed Holiday Scratch-Off card, they win!

Just another way the Texas Lottery is making the holidays a little brighter and easier this year.



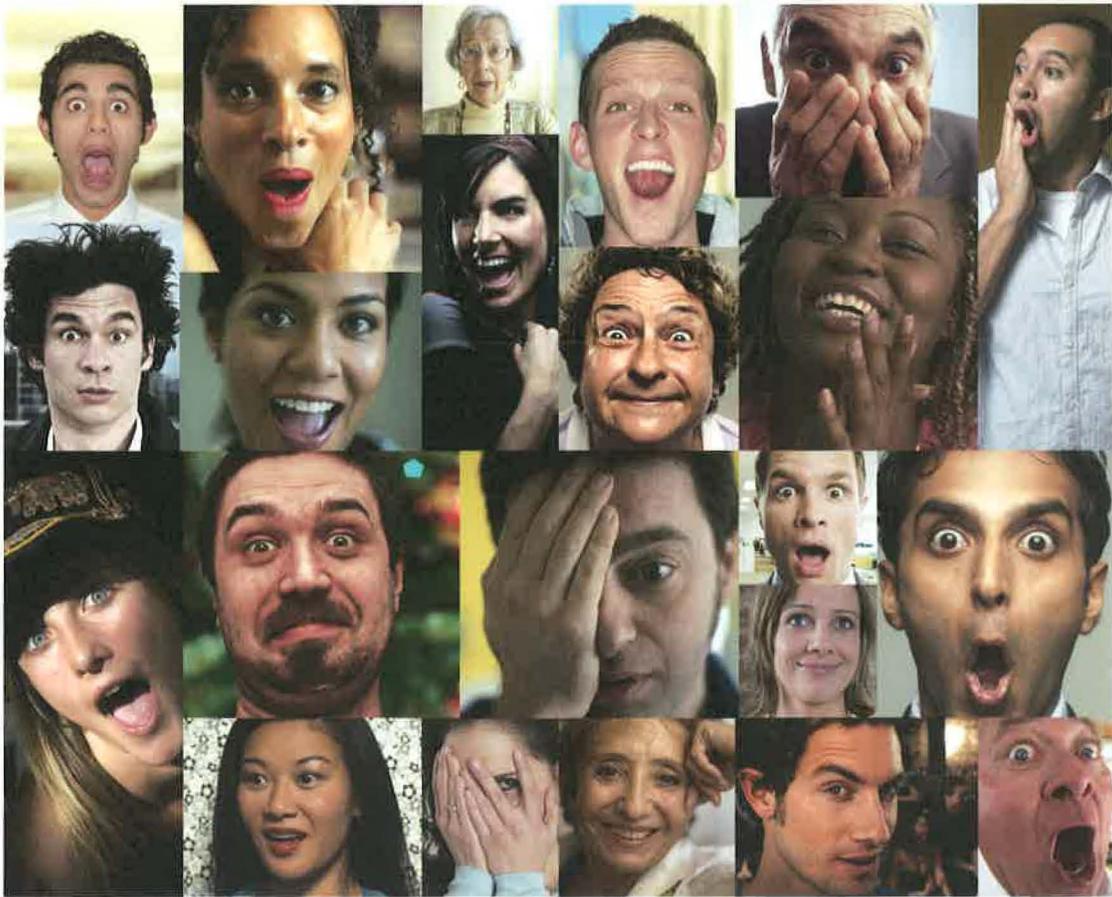
## “The Gift of a Million Faces” Promotional Event

The Gift of a Million Faces gets even better with photo booths set up at highly trafficked areas throughout Texas. Whether at the State Fair, community holiday fairs, fun runs or malls, we invite customers to pop into the booth and give us their favorite face for a chance to be featured in an upcoming commercial.

Each takeaway photo strip reinforces the fun scratch-offs provide and reminds them to buy one for family and friends.



## Beyond the holidays



## The real power of “A Million Faces”

At TM, we truly believe the “Million Faces” idea is about more than just capturing the emotions of playing scratch-offs during the holidays. And while the underlying concept works for the whole of Lottery games, it is even more than that.

It’s about celebrating the diversity of the great State of Texas.

At the heart of this idea lies the understanding that while millions of people play the various games offered by the Texas Lottery, millions more benefit from it each and every day. This campaign has the power to unite the people of Texas in support of the Texas Lottery, by reminding them that the lottery truly is for us all. And the joy and satisfaction that comes from playing a simple game can be a wonderful way to bring smiles to millions of us... millions of faces... every day.

## Consumer Reaction – A Gift of a Million Faces

- Delivers strong emotional connectivity – shows the benefit to both the giver and receiver.
- Clearly links the anticipation of the holidays with the anticipation offered by Holiday Scratch-Offs in a compelling and unique way.
- Hits the right balance of humor and emotion which together are seen as a good fit with the Lottery and the message.
- Captures the diverse appeal of scratch-offs and elevates the perceptions of the Lottery as an “inclusive” brand that truly understands the diverse state of Texas.

### Verbatims

*“Scratch-offs are a great gift especially because people love to see a good reaction to a gift. Seeing a good reaction means you gave a good gift.”*

*“Scratch-offs are a mystery gift that brings out every type of emotion, from the moment you receive them and start scratching to the point you see if you won.”*

*“You'll get a great reaction out of the receiver.”*

*“People's reactions are priceless and that's what you want when you give a gift.”*

*“I see happiness, surprise and joy at the gift when you give a scratch-off.”*

*“It's unexpected, surprising, etc. – a wide range of emotions can be elicited when you give a scratch-off.”*

*“Scratch-offs are a mystery gift that brings out every type of emotion, from the moment you receive them and start scratching to the point you see if you won.”*

*“They are unexpected, fun, and unique gifts.”*

*“Scratch-offs are surprising, fun, different, unique. It's fun to see someone win.”*

*“They will get great reactions from the people you give them to.”*

*“Porque nadie puede esperar en abrirlo.” “Because no one can keep themselves from opening it.”*

*“Con este regalo la sorpresa del que lo reciba es emocionante.” “With this gift the surprise of whoever receives it is exciting.”*

*“Los Raspaditos son muy divertidos y sorprendientes. ¡Me encantan las caras!” “The scratch-offs are very fun and surprising. I love the faces!”*

*“Como te puede hacer feliz verle la cara a alguien con un raspadito que le regales.”*

*“How looking at a person's face receiving the scratch-off you gave them can make you happy.”*

*“Pueden emocionar de diferentes formas.” “Can bring excitement in different forms.”*

*“Es una buena idea regalar raspaditos para las fiestas navidenas. Aunque todos reaccionen diferente, todos son felices al recibirlos.” “It is a good idea to give scratch-offs for the holidays. Even if all react differently, everyone is happy to receive them.”*

*“Esta diciendo que cuando recibes un juego de loteria de regalo te da mucha emocion, mucha sorpresa.” “It is a saying that when you receive a lottery game it gives you a lot of excitement, a lot of surprise ...”*

*“Que estos raspaditos pueden traer muchas diferentes emociones, pero emociones buenas – sorpresa, alegría, felicidad, sorpresa.” “That the scratch-offs can bring many different emotions, but good emotions – surprise, happiness and surprise.”*

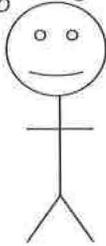
# A Gift of a Million Faces

What did the ad tell you? i.e. the main idea or key thought.

- Unexpected gift  
= anticipation of emotions

Based on this ad, why would you give a scratch-off ticket as a gift?

- Emotions...  
The gift of excitement

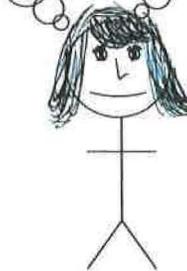


What did the ad tell you? i.e. the main idea or key thought.

Thousand faces  
- experiences & emotions

Based on this ad, why would you give a scratch-off ticket as a gift?

The "experience" of being able to share the gift w/ the receiver



¿Qué te dice el anuncio? es decir, la idea principal o el pensamiento clave.

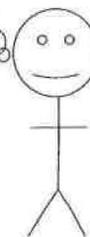
What did the ad tell you? i.e. the main idea or key thought.

Que regales raspaditas para que mires los caras que provocas al regalarlas y al ver la alegría que logrestes en ellas

Basado en este anuncio, ¿por qué darías un rraspa billete de lotería como un regalo?

Based on this ad, why would you give a scratch-off ticket as a gift?

Me sentiría feliz al ver los caras de alegría en estas personas a las cuales les voy a regalar



"To give scratch-offs so you can see the kind of faces you provoke and to see the happiness you caused."

"I would feel happy to see the happy faces of the people I would give to."

What did the ad tell you? i.e. the main idea or key thought.

Scratch-offs are a win-win for the receiver

Based on this ad, why would you give a scratch-off ticket as a gift?

To know that the one receiving it will be happy w/ their gift



## Scorecard

In addition to the quantitative research, we conducted our own assessment of each campaign and its respective delivery against what we believe are the critical imperatives to success. The scorecard results are below.

### Scorecard

Imperatives	The Gift of Scratch	Scratch Away	Gift of a Million Faces
Connect holidays with scratch-offs to drive relevance as a great gift-giving alternative	✓	✓	✓
Clear expression of the strategy	✓	✓	✓
Intrusive with high potential for breakthrough	✓	✓	✓
Resonates and has relevance across diverse audiences	✓	✓	✓
Extends across all touch points	✓	✓	✓
Can generate “buzz”	✓	✓	✓
Fits and strengthens perceptions and image of the Texas Lottery overall	✓	✓	✓
<b>Considerations</b>			
Idea can be extended to other gift occasions beyond holiday	✓	✓	✓
Idea has potential to extend beyond scratch-offs to greater overall lottery			✓

### 3 ideas



**“The Gift of Scratch”**



**“Scratch Away”**



**“The Gift of a Million Faces”**

### 3 approaches

**Product**



**Experience**



**Emotion**



## One final thought.

After a lot of pages of info, data, research, insights, strategy and (finally) creative ideas, please indulge us just one more.

We believe, in this age of “what is real?” and endless opinions online that pass as the truth, what we do is extremely rare.

We don't make stuff up.

The creative ideas we've shared with you were born... from you. The product you make. The experiences you make possible. The emotions you create.

The Truth about you.

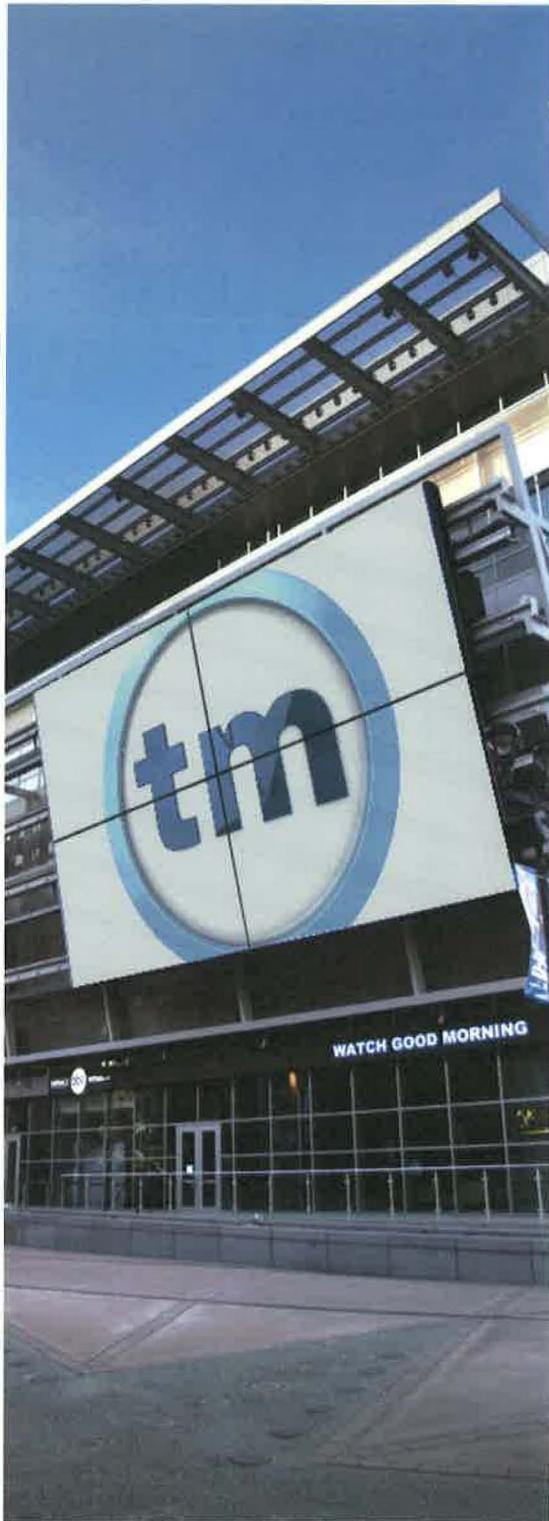
We hope you can feel the passion we have for your business. A passion we bring to all our clients, big and small, on every project, every day.

Creative ideas that are the result of applying business logic. Crafted with insight. Executed beautifully. We love what we do. It's an enthusiasm you'll find is infectious.

We often refer to it as ideas felt with both “head and heart.”

We hope you feel it, too.

Thank you for the opportunity.



**(e) Evaluation of Campaign Effectiveness**

*Methods to evaluate campaign effectiveness shall be included. Such methods for monitoring, tracking and measuring the campaign's success should point to the effectiveness and efficiency in meeting the communication goals.*

## **CALIBRATE: Optimize with Measurement and Continuous Improvement**

### ***Campaign effectiveness***

The innovative ideas and marketing campaigns we deliver are only as good as the business results they produce. Every idea will not yield the same return. And in the case of the Lottery, results may even be different by audience, market and game, making a strategically sound monitoring program imperative.

As with all clients, we designed a campaign success monitoring system for the Lottery, which would track performance against goals. We defined these goals as follows:

- Increase top-of-mind awareness of Holiday Scratch-Offs as a gift idea across all diverse audiences within the state of Texas
- Drive trial of Holiday Scratch-Offs among lapsed/non-users
- Drive incremental purchases of Holiday Scratch-Offs among current users
- Increase revenue year-over-year and maximize ROI

### ***Lottery Dashboard***

Below is the tracking dashboard we created for the Lottery. It highlights the critical performance metrics that will be evaluated and the research tools and resources to measure them. Importantly, these will include pre-market tools to ensure established benchmarks, in market tools so we can optimize real-time and post-market tools to ensure refinement and ROI analysis.

Furthermore, to maximize efficiency, this dashboard focuses on utilizing the existing Texas Lottery research. We will work with you to evolve these tools to ensure they are working as hard as possible to provide measurement against goals, and we will use the latest and most effective performance evaluation techniques for the Lottery.

## Dashboard



### What we will measure

**Awareness and Attitudes of Lottery and Games**  
**Ad Recall**  
**Game Usage, Motivations and Drivers**  
**Ad Message Recall**  
**Media Vehicle Performance**

**Sales Performance**

- By Customer
- By Channel
- Monthly Year-over-Year
- ROI

**Shifts in Social Conversations**  
**Press/Blogs**

**Game Trial**  
**Game Retention**  
**Average Spend by Game**  
**Participation/Loyalty**

### How we will measure

**Consumer Metrics**

- Brand Tracker
- Customer Satisfaction Survey
- Texas Lottery Qualitative

**Media Metrics**

- Digital campaign Performance
  - Atlas, Google Analytics
- Social Site Data: Radian6
- TV Nielsen Post
- Radio Arbitron Audit
- Out-of-home Completions
- Digital: Facebook Likes/Posts
- Mobile: Velti Reporting

**Pre-Post Sales Analysis**

- By Customer
- By Channel
- By Segment
- In Total

**Social Monitoring Reports**  
**Customer Service**  
**Line Tracking**

**Brand Tracking Study**  
**Segmentation Study**  
*(as completed by Lottery)*  
**Lottery Funded Game Studies**  
**Internet Based Player Research**



## Communications

As noted in the dashboard, communication effectiveness includes both advertising and brand performance. Effectiveness will be measured based on a collection of consumer response metrics and media metrics. These would include:

### *Consumer Response Metrics*

#### *1. Texas Lottery Brand Tracker*

The Texas Lottery Brand Tracker will be critical for evaluating communication effectiveness as it relates to advertising and brand performance across all diverse audiences.

We will use this study to capture both pre and post measurements to assess the following:

- Game awareness levels
- Ad awareness
  - This will help us assess if we are effectively breaking through the clutter and driving top-of-mind awareness
- Trial/Repeat by game and game consideration
  - This will show if the campaign is successfully driving the desired behavior
- Attitudes
  - Assess if campaign is effectively communicating desired brand attributes and associations

If possible, we would suggest adding the following measures to this study to provide further campaign assessment. These include:

- Where possible we will use message metrics in the study to evaluate message wear-in and potential wear-out analysis
- Creative recall and reaction – delivery of message, reaction and fit across all diverse audiences of Texas

#### *2. Customer Satisfaction Study*

This study serves as a strong indicator of customer satisfaction. We believe this study could also include brand performance measures to help us understand the connection between specific brand perceptions and overall satisfaction so programs can be optimized and strengthened for greater long-term success.

### 3. Texas Lottery Qualitative

We will use qualitative research to explore strategic/message effectiveness and creative impact. We will also use this to gather insights on customer motivations and barriers. The qualitative can be further validated using one of the quantitative studies conducted by the Texas Lottery, if permitted.

#### *Media Response Metrics*

Following are the tools we recommend using to monitor paid media effectiveness by type of media channel.

#### *Digital*

##### *1. Overall Digital Campaign Performance Metrics across Display, Mobile and Social (Tools: Atlas, Google Analytics, Radian6, Velti)*

Performance is evaluated by establishing and optimizing against a KPI (Key Performance Indicator). The indicators determined of the Holiday campaign are as follows:

- Impressions: Number of times an ad has been displayed
- Clicks: Number of times a user had clicked on an ad unit
- Post Clicks: Number of actions taken on client's site as a result of a click
- Post View: Number of actions taken on client's site as a result of an ad view
- Click-Through-Rate (CTR): The number of ad clicks as a percentage of ad impressions, or the number of times an ad is clicked by users as a percentage of the number of times an ad was downloaded and viewed by users
- Cost-per-Click: Defines the average cost of each click
- Activity Conversion Rate (ACR): The percentage of users who performed a selected activity on the advertiser's site after clicking on an ad
- Return on ad spend (ROAS): Revenue divided by media spend
- Interaction rate: Number of interactions taken within a rich media ad, compared to the number of impressions served (displayed as a percentage)
- Post Reach/Frequency: Reach is defined as the number of unique users; frequency is the number of times that a user is served an ad

##### *2. Digital Creative Campaign Optimization*

Campaign optimization is an important aspect and benefit of digital media in that it can take place in real time or fairly quickly during campaign flight. There are numerous ways to optimize a campaign and many factors to evaluate the performance of a digital campaign, including:

- Creative concept, unit size, and design
- Weighting of impression delivery, adjustments to design, or an all-inclusive new creative set

- Shifting funding between placements and/or targeting
- Re-negotiation of pricing with publishers
- Site optimization/landing page optimization
- Atlas has a feature that will automatically deliver media weight in real-time and auto-optimize the best performing creative based on the performance metrics selected
- The last line of defense is to cancel a site and reallocate the budget to better performance placements

Additional campaign effectiveness measures could possibly include a Vizur study as part of added value through media negotiations.

- The Vizur Corporation provides the first real-time enterprise technology platform that allows advertisers and their partners in the digital media ecosystem – publisher, ad networks, exchanges, and demand side platforms – to collaborate around measuring and optimizing Brand Lift metrics, moving the advertiser's largest target audience through the purchase funnel from building awareness to creating intent and preference.
- Given the increased importance and sensitivity to content and contextual relevance of where the Lottery messaging appears and whom it is delivered to, we will aim to include verification across as many sites/ partners within the campaign. Listed below are two of our preferred partners:
  - Adsafely
  - Doubleverify

### 3. Mobile Partner Data

(Tools: Atlas, Velti)

Evaluate campaign delivery across mobile devices including impressions and click-through rates by geography and operating systems.

### 4. Social Site Data

(Tools: Atlas, Radian6)

Utilizing a combination of Atlas and Radian6 we can evaluate the campaign across four key areas:

- Actions: The number of times users have "liked" your page or RSVP'd positively to your Facebook event. (This data will only appear for Facebook ads for pages, events or applications.)
- Social Impressions: The number of times an ad was shown with social context about the viewer's friend(s) who have connected with your page, event or application
- Unique Impressions: Unique number of users who view an ad

- Social Listening: Data mining to compile all dialogue, chatter and conversions generated and driven by paid and earned social media efforts

### ***Broadcast - Post Analyses***

Spot Broadcast buys are planned and purchased to deliver set effective communication goals. Therefore, verification that what was planned and then purchased was actually delivered, serves as proof of delivery against the audience.

The broadcast Post Analysis accomplishes the following:

- Completes the cycle of the buying process by delivering a report card on the agency's buy maintenance and performance on ratings and/or spot estimates and actual purchased data
- Delivers expected accountability and stewardship to the client
- Ensures client "gets what they paid for" with compensatory weight/spots
- Provides a final accounting of the TV buy

Documents and good faith schedules negotiated with stations while making the buy or during the course of the schedule in anticipation of or based on a downward rating trend.

- It provides for a preemptive course of action to avoid under delivery
- Secure compensatory spots for markets/flights that in the rare instance did not meet goal:
  - These are not bonus spots
  - Not preemptible
  - Booked on next available flight

Post Analysis Content:

- Original Purchased TRPs/Spots: Based on the buys negotiated and issued to client with estimated/projected ratings.
- Final Purchased TRPs/Spots: Based on buys with slight revisions from original purchased, due to spots being shifted, added or preempted during course of schedule
- Posted TRPs/Spots: Based on affidavits for exact time spot clearance and Nielsen survey period of actual rating performance
- Index of Posted TRPs/Spots vs. Original and Final Purchased: 4-A's guidelines for local TC post analysis +/- 10%
- Individual market delivery details are provided and specific market rationale is outlined to ensure that final delivery is within our rigorous guardrails, addressing the following:
  - Delivery outside of 90% and 110% against final purchase
  - Prime/Sports delivery below 90% and secured ADU (audience deficient weight)
  - TRP or Spot deviations exceeding +/- 5% between goal and final purchase
  - Delivery in unplanned dayparts

## Out-of-Home

For out-of-home elements, campaign metrics include the following:

- Frequent market rides and pictures posed unit
- Pictures of the environment in the vicinity of the posted unit to ensure location selection standards are met
- Pictures/video of actual posting and confirmation of the time of completion
- Pictures/videos of removal date



### Sales/ROI

We will access sales data and calculate ROI across three critical dimensions:

- Overall - We will use pre-post sales data to assess overall impact of the campaign and its return on investment
- By Channel – Access sales by channel to measure impact of specific, retailer targeted events, promotions and/or programming.
- By Audience - Access sales across all our diverse audiences to ensure programming and media is driving traffic against target goals.



### Players/Games

We will monitor the effectiveness of our campaign on games and players through the following:

1. *Brand Tracking Study – measure shifts in the following across segments and diverse audience groups*

- Game trial and usage
- Levels of loyalty and shifts in loyalty across games and segments
- Player participation
- Average spend
- Retention

2. *Texas Lottery Game Evaluation Studies (if fielded by the Texas Lottery)*

*Moving forward, we would use any future research studies designed and fielded by the Lottery to address specific game play drivers and motivations.*

3. *Texas Lottery Segmentation Study*

*We would utilize any future lottery segmentation studies (conducted by the Texas Lottery) to further refine both targeting and messaging strategies.*



## Public Perceptions

We will monitor conversations (brand-to-consumer, consumer-to-consumer and consumer-to-brand) as well as perceptions of the brand in the social landscape via the following:

- Social Listening: data mining to compile all dialogue, chatter and conversions generated and driven by paid and earned social media efforts.
- Press Blogs
- Customer Complaints

*(f) Campaign Guidelines*

*All discussion and examples related to the creative assignment should be included in the Proposal. Proposers invited for an oral presentation may use props and/or electronicmedia (i.e., PowerPoint, video, audio, Internet) as aids.*

TM has read, understands and will comply with these requirements.

*The Texas Lottery has identified the following resources for use by Proposers in preparing the creative response. Proposers are encouraged to conduct additional quantitative and qualitative research. Resources:*

- *FY11 Media Plan (General and Ethnic Market), Attachment I*
- *FY10 Sales/Revenue by Game, Attachment J*
- *Demographic Study, available at <http://www.txlottery.org/info/reports.cfm>*
- *National Association of State and Provincial Lotteries (NASPL),*
- *[www.naspl.org](http://www.naspl.org)*
- *La Fleur's, [www.lafleurs.com](http://www.lafleurs.com)*

TM Advertising appreciates the availability of this information and has used the data provided in the development of our response to this RFP.

## 8.2 Client Case Examples

**8.2.1** *All Proposers shall provide examples of related client work from the past three years. The examples shall provide clear evidence of the thought process used to develop creative solutions to assignments similar to potential Texas Lottery projects. Proposers should clearly identify whether a client case example provided in their response is representative of the agency overall or the experience of a specific staff member. Examples should also include digital project and event case studies.*

TM Advertising has read, understands and will comply with these requirements.

We have included several case studies that provide examples of related client work from the past three years. Specifically, we have included the following cases from TM and our key subcontracting partners. In each case, we have noted the relevance of the case to the Texas Lottery. Please note that most of the cases include a digital component. The Texas Tourism case in particular addresses digital capabilities and promotional events. These cases are representative of the work of the agency named.

### **TM Advertising**

American Airlines  
Texas Tourism  
Captain D's

### **Bromley Communications**

Western Union  
Progressive Soup

### **TPN**

7-Eleven

### **The Ward Group**

Little Caesars  
SEEARP (State Energy Efficient Appliance Rebate)

Please note that all our cases are marked confidential per the option provided in 1.7.1.

**8.2.2** *The Proposer shall fully describe how the client case examples address and demonstrate the Proposer's competency and understanding of the following issues: Overall Advertising Strategy, Creative Strategy, Media Plan, Cost Effectiveness, Creative Execution and Evaluation of Campaign Effectiveness.*

TM Advertising has read, understands and will comply with these requirements.

The cases begin on the following page. You will note that we have marked these cases as confidential per the option offered in 1.7.1.

**8.2.3** *If CD's or DVD's are submitted with the Proposal as part of client case examples, such examples shall be submitted on a single CD (audio) or DVD (video) and be clearly labeled as "Audio/Video Exhibits."*

TM Advertising has read, understands and will comply with these requirements.

We have included a DVD that includes work associated with several of the case studies. The DVD is marked "TM Advertising Audio/Video Exhibits."

**CONFIDENTIAL**

**CONFIDENTIAL**

**CONFIDENTIAL**

**CONFIDENTIAL**

**CONFIDENTIAL**

Confidentiality Claimed  
PIA §552.110

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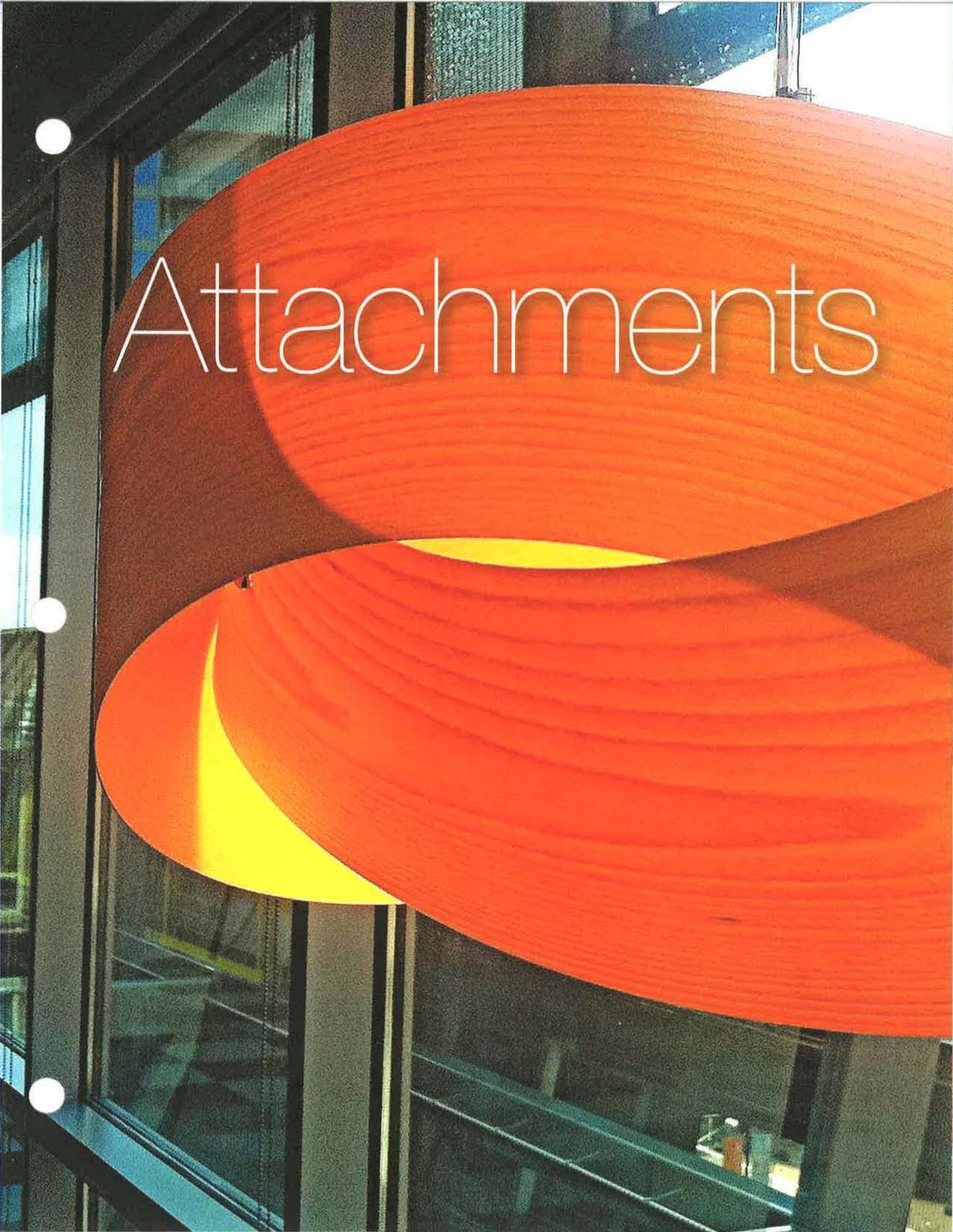
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PIA §552.110

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PIA §552.110

**CONFIDENTIAL**





# Attachments



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## ATTACHMENT A PROPOSER'S COMMITMENT

I hereby commit TM Advertising

(Company Name)

to provide the goods and services described in the attached Proposal for Advertising Services required by the Request for Proposals for the Texas Lottery Commission.

Signature: 

Title: Chief Executive Officer

Date: February 17, 2012



### ATTACHMENT B FINANCIAL COMMITMENT AND RESPONSIBILITY

This financial commitment and responsibility statement is to be completed by the parent corporation's chief financial officer.

TM Advertising is a fully-owned subsidiary of  
(Subject)

Interpublic (IPG) and that as such Interpublic (IPG)  
(Parent) (Parent)

is fully responsible for any and all financial obligations of

TM Advertising  
(Subject)

Signature: F. Hejduk

Title: EVP, Chief Financial Officer

Date: 2/9/2012



## **ATTACHMENT C HUB SUBCONTRACTING PLAN**

Per the instructions in the RFP, our HSP Plan including all required HSP documentation is submitted separately in a three-ring binder. One signed original and two copies are being provided.



# HUB SUBCONTRACTING PLAN (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

**NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).**

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders contracts,
- 32.7 percent for all special trade construction contracts,
- 23.6 percent for professional services contracts,
- 24.6 percent for all other services contracts, and
- 21 percent for commodities contracts.

### - - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

## SECTION 1 RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: \_\_\_\_\_ State of Texas VID #: \_\_\_\_\_  
 Point of Contact: \_\_\_\_\_ Phone #: \_\_\_\_\_  
 E-mail Address: \_\_\_\_\_ Fax #: \_\_\_\_\_

b. Is your company a State of Texas certified HUB?  - Yes  - No

c. Requisition #: \_\_\_\_\_ Bid Open Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
(mm/dd/yyyy)

**ATTACHMENT C**

Enter your company's name here: _____	Requisition #: _____
---------------------------------------	----------------------

**SECTION 2 SUBCONTRACTING INTENTIONS**

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

- a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:
- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b, of this SECTION and continue to Item c of this SECTION.)
- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If **No**, continue to SECTION 3.)
- b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for <u>five (5) years or less.</u>	Percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for <u>more than five (5) years.</u>	Percentage of the contract expected to be subcontracted to non-HUBs .
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
<b>Aggregate percentages of the contract expected to be subcontracted:</b>		<b>%</b>	<b>%</b>	<b>%</b>

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

- c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.
- **Yes** (If **Yes**, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to Item d, of this SECTION.)
- d. Check the appropriate box (Yes or No) that indicates whether the **aggregate expected percentage** of the contract you will subcontract with Texas certified HUBs with which you have had contracts in place with for five (5) years or less **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements".
- **Yes** (If **Yes**, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)





# HSP Good Faith Effort - Method A (Attachment A)

(Rev. 10/11)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

## SECTION A-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: \_\_\_\_\_ Description: \_\_\_\_\_

## SECTION A-2 SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: \_\_\_\_\_ Description: \_\_\_\_\_

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
		/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- d. Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
	/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No
	/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required If Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

\_\_\_\_\_

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



**ATTACHMENT C-1  
HUB SUBCONTRACTING OPPORTUNITY NOTIFICATION FORM**

# HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, the respondent must provide notice of each of its subcontracting opportunities to minority/women trade organizations or development centers at least seven (7) working days prior to submitting its bid response to the contracting agency.

We respectfully request that vendors interested in bidding on the subcontracting opportunity identified in **Section C** reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

<b>Section A</b>	<b>PRIME CONTRACTOR'S INFORMATION</b>	
Company Name: _____	State of Texas VID #: _____	
Point-of-Contact: _____	Phone #: _____	
E-mail Address: _____	Fax #: _____	

<b>Section B</b>	<b>CONTRACTING STATE AGENCY AND REQUISITION INFORMATION</b>	
Agency Name: _____		
Point-of-Contact: Please see above.	Phone #: _____	
Requisition #: _____	Bid Open Date: _____	

<b>Section C</b>	<b>SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION</b>	
1.  Potential Subcontractor's Bid Response Due Date:	<p><b>Our firm must receive your bid response to this subcontracting opportunity no later than 5:00 P.M., Central Daylight Standard Time on: _____</b> (Date)</p> <p>(Note: In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to <u>at least three (3)</u> Texas certified HUBs, and allow the HUBs <u>at least seven (7) working days</u> to respond to the notice prior to submitting our bid response to the contracting agency. In addition, we must provide the same notice to minority/women trade organizations or development centers <u>at least seven (7) working days</u> prior to submitting our bid response to the contracting agency.)</p>	
2.  Scope of Work:		
3.  Required Qualifications:  <input type="checkbox"/> - Not Applicable		
4.  Bonding/Insurance Requirements:  <input type="checkbox"/> - Not Applicable		
5.  Location to review plans/specifications:  <input type="checkbox"/> - Not Applicable		



**ATTACHMENT C-2  
HSP QUICK CHECK LIST**

# HSP Quick Check List

- ❖ **If you are not subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete:**
  - Section 1 – Respondent and Requisition Information
  - Section 2 a. – No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
  - Section 3 – Self Performing Justification
  - Section 4 – Affirmation
  
- ❖ **If all of your subcontracting opportunities will be performed using only HUB vendors, complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. – Yes, I will be subcontracting portions of the contract
  - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to HUB vendors
  - Section 2 c. – Yes
  - Section 4 – Affirmation
  - GFE Method A (Attachment A) – Complete this attachment for each subcontracting opportunity
  
- ❖ **If you are subcontracting with HUB vendors and Non-HUB vendors, and the aggregate percentage\* of subcontracting with HUB vendors meets or exceeds the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. – Yes, I will be subcontracting portions of the contract
  - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to HUB vendors and Non HUB vendors
  - Section 2 c. – No
  - Section 2 d. – Yes
  - Section 4 – Affirmation
  - GFE Method A (Attachment A) – Complete this attachment for each subcontracting opportunity
  
- ❖ **If you are subcontracting with HUB vendors and Non-HUB vendors (or only Non HUB vendors), and the aggregate percentage\* of subcontracting with HUB vendors does not meet or exceed the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. – Yes, I will be subcontracting portions of the contract
  - Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to HUB vendors and Non HUB vendors
  - Section 2 c. – No
  - Section 2 d. – No
  - Section 4 – Affirmation
  - GFE Method B (Attachment B) – Complete this attachment for each subcontracting opportunity

\* Aggregate percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for five (5) years or less.



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**ATTACHMENT D**  
**V.T.C.A., GOVERNMENT CODE § 466.155**

(a) After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

(1) is an individual who:

(A) has been convicted of a felony, criminal fraud, gambling or a gambling-related offense, or a misdemeanor involving moral turpitude, if less than 10 years has elapsed since the termination of the sentence, parole, mandatory supervision, or probation served for the offense;

(B) is or has been a professional gambler;

(C) is married to an individual:

(i) described in Paragraph (A) or (B); or

(ii) who is currently delinquent in the payment of any state tax;

(D) is an officer or employee of the commission or a lottery operator; or

(E) is a spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of a person described by Paragraph (D);

(2) is not an individual, and an individual described in Subdivision (1):

(A) is an officer or director of the applicant or sales agent;

(B) holds more than 10 percent of the stock in the applicant or sales agent;

(C) holds an equitable interest greater than 10 percent in the applicant or sales agent;

(D) is a creditor of the applicant or sales agent who holds more than 10 percent of the applicant's or sales agent's outstanding debt;

(E) is the owner or lessee of a business that the applicant or sales agent conducts or through which the applicant will conduct a ticket sales agency;

(F) shares or will share in the profits, other than stock dividends, of the applicant or sales agent;

or

(G) participates in managing the affairs of the applicant or sales agent;

(3) has been finally determined to be:

(A) delinquent in the payment of a tax or other money collected by the comptroller, the Texas Workforce Commission, or the Texas Alcoholic Beverage Commission;

(B) in default on a loan made under Chapter 52, Education Code; or

(C) in default on a loan guaranteed under Chapter 57, Education Code;

(4) is a person whose location for the sales agency is:

(A) a location licensed for games of bingo under Chapter 2001, Occupations Code;

(B) on land that is owned by:

(i) this state; or

(ii) a political subdivision of this state and on which is located a public primary or secondary school, an institution of higher education, or an agency of the state; or



- (C) a location for which a person holds a wine and beer retailer's permit, mixed beverage permit, mixed beverage late hours permit, private club registration permit, or private club late hours permit issued under Chapter 25, 28, 29, 32, or 33, Alcoholic Beverage Code; or
- (5) has violated this chapter or a rule adopted under this chapter.
- (b) If the director proposes to deny an application for a license or the commission proposes to suspend or revoke a license under this section, the applicant or sales agent is entitled to written notice of the time and place of the hearing. A notice may be served on an applicant or sales agent personally or sent by certified or registered mail, return receipt requested, to the person's mailing address as it appears on the commission's records. A notice must be served or mailed not later than the 20th day before the date of the hearing. The commission shall provide for a formal administrative hearings process.
- (c) At a hearing, an applicant or sales agent must show by a preponderance of the evidence why the application should not be denied or the license suspended or revoked.
- (d) The director shall give an applicant or sales agent written notice of a denial of an application or a suspension or revocation of a license.
- (e) The director may not issue a license to a person who has previously had a license under this chapter revoked unless the director is satisfied the person will comply with this chapter and the rules adopted under this chapter. The director may prescribe the terms under which a suspended license will be reissued.
- (f) The director may not issue a license to an applicant who fails to certify to the director the applicant's compliance with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.).
- (g) For purposes of Subsection (a)(3), the comptroller, Texas Workforce Commission, Texas Alcoholic Beverage Commission, Texas Higher Education Coordinating Board, and Texas Guaranteed Student Loan Corporation shall each provide the executive director with a report of persons who have been finally determined to be delinquent in the payment of any money owed to or collected by that agency. The commission shall adopt rules regarding the form and frequency of reports under this subsection.

Added by Acts 1993, 73rd Leg., ch. 107, § 4.03(b), eff. Aug. 30, 1993. Amended by Acts 1995, 74th Leg., ch. 76, § 6.21, eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 696, § 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1275, § 51, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 394, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1420, § 14.760, eff. Sept. 1, 2001.



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**ATTACHMENT D-1  
BACKGROUND INFORMATION CERTIFICATION**

Texas Government Code § 466.155

Pursuant to Texas Government Code §466.103, the Executive Director of the Texas Lottery Commission may not award a contract for the purchase or lease of facilities, goods or services related to lottery operations to a person who would be denied a license as a sales agent under Texas Government Code §466.155.

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**TM Advertising**

(Company Name)

certifies that it has reviewed Texas Government Code §466.155 and that it would not be denied a license as a sales agent pursuant to said section.

  
*(signature of person authorized to contractually bind the Proposer)*

**Rebecca M. Weigman**

*(printed name)*

**Chief Executive Officer**

*(title)*

**February 17, 2012**

*(date)*



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**ATTACHMENT E**  
**VENDOR BACKGROUND INVESTIGATION FORM**  
**APPARENT SUCCESSFUL PROPOSER**

Section 466.103 of the Texas Government Code states that the Executive Director may not award a Contract to a person who would be denied a license as a sales agent under section 466.155 of the Texas Government Code.

**FOR ASSISTANCE**

Please call the Enforcement Division of the Texas Lottery at 512-344-5000.

**GENERAL INSTRUCTIONS**

- Type or print all information.
- The Apparent Successful Proposer, including the parent or subsidiary of the Apparent Successful Proposer, may need to complete and return these forms.
- The Texas Lottery is authorized to obtain criminal history records from the Texas Department of Public Safety, the Federal Bureau of Investigation or any other law enforcement agency.
- This form is open to public inspection during normal business hours as required by the Texas Public Information Act, Tex. Gov't. Code ANN., §552.021.

**SALES AGENT ELIGIBILITY REQUIREMENTS**

The following people are prohibited from holding a Texas Lottery Ticket Sales License:

1. Persons convicted of a felony, criminal fraud, gambling or a gambling-related offense whose sentence, parole, mandatory supervision or probation ended less than 10 years ago.
2. Persons convicted of a misdemeanor involving moral turpitude whose sentence, parole, mandatory supervision or probation ended less than 10 years ago.
3. Persons who are or have been professional gamblers.
4. Persons currently delinquent in the payment of certain state taxes or student loans.
5. The spouses of those people named above.

Also, a business is prohibited from holding a Texas Lottery Ticket Sales License if that business includes a person identified in items 1-5 above and that person:

- is an officer or director of that business;
- holds 10 percent or more of the stock in that business;
- holds an equitable interest greater than 10 percent in that business;
- is owed more than 10 percent of the business's debt;
- owns or leases a business through which the applicant will conduct ticket sales;
- will share in the profits of that business (not including stock dividends); or
- participates in managing the affairs of the applicant or sales agent.



**TEXAS LOTTERY COMMISSION  
Vendor Background Investigation**

**OWNERSHIP INFORMATION FOR APPARENT SUCCESSFUL PROPOSER**

1. <b>Corporation or Legal Business Name:</b>	
2. <b>Business Ownership (check one):</b>	<input type="checkbox"/> Sole Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Texas Corporation <input type="checkbox"/> Foreign Corporation <input type="checkbox"/> Other (explain) _____
3. <b>If Texas Corporation, enter:</b>	<b>Charter Number:</b> _____ <b>Charter Date (MM/DD/YYYY):</b> ___/___/____
4. <b>If your business is a foreign corporation, enter:</b>	<b>Home State:</b> _____ <b>Charter Number:</b> _____ <b>Texas Certificate of Authority Number:</b> _____ <b>Texas Certificate of Authority Date (MM/DD/YYYY):</b> ___/___/____
5. <b>If limited partnership, enter:</b>	<b>Home State:</b> _____ <b>Identification Number:</b> _____
6. <b>Federal Employer's Identification (FEI) Number, if any:</b>	_____
7. <b>Taxpayer number for reporting any Texas tax OR your Texas Vendor Identification Number if you now have, or have ever had, one.</b>	_____



## ELIGIBILITY STANDARDS

An individual is not eligible for a sales license if:

- a. The individual or the individual's spouse has been convicted of a felony, criminal fraud, gambling or a gambling-related offense or a misdemeanor involving moral turpitude and less than 10 years have passed since the end of the sentence, parole, mandatory supervision or probation served for the conviction.
- b. The individual or the individual's spouse is a professional gambler.
- c. The individual's spouse is currently delinquent in the payment of any state tax.
- d. The individual is an officer or employee of the Texas Lottery Commission or a lottery operator.
- e. The individual's spouse, child, brother, sister or parent (1) lives in the same principal place of residence as the individual and (2) is an officer or employee of the Texas Lottery Commission or a lottery operator.
- f. The individual is delinquent in the payment of a tax or other money collected by the Texas Comptroller of Public Accounts, the Texas Workforce Commission, or the Texas Alcoholic Beverage Commission; in default on a loan made under Chapter 52 of the Texas Education Code; or in default on a loan guaranteed under Chapter 57 of the Texas Education Code.

An entity is not eligible for a sales license if the entity includes any of the following individuals who would be ineligible for a sales license under item a, b, c, d or e above:

- An officer or director of the entity;
- An individual who holds more than 10 percent of the stock in the entity;
- An individual who holds an equitable interest greater than 10 percent in the entity;
- The creditor of the entity who holds more than 10 percent of the entity's outstanding debt;
- The owner or lessee of a business conducted by the entity or through which the entity will conduct a ticket sales agency;
- An individual who shares or will share in the profits, other than stock dividends, of the entity; or
- An individual who participates in managing the affairs of the entity.

An applicant is not eligible for a sales license if the proposed ticket sales location is:

- A location licensed for games of bingo, or
- On land that is owned by:
  - This state, or
  - On which is located a public primary or secondary school, an institution of higher education, or an agency of the state.





**TEXAS LOTTERY COMMISSION  
Consent to Release Personal Information**

**NOTE: THE APPARENT SUCCESSFUL PROPOSER MUST COMPLETE AND RETURN CONSENT TO RELEASE PERSONAL INFORMATION FORMS FOR ALL INDIVIDUALS SUBJECT TO BACKGROUND INVESTIGATION UNDER SECTION 4.6.**

**TO THE APPLICANT:** All persons contracting with the Texas Lottery Commission must meet the requirements of the Texas Government Code § 466.155 (Print or type all information in blue or black ink):

**CONSENT TO BACKGROUND INVESTIGATION  
AND RELEASE OF INFORMATION**

Vendor Employee -  Vendor Principal -  Operator Employee -  Temporary Employee -

\_\_\_\_\_  
**Company Name**

Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
Last First Middle

Other Names Used: \_\_\_\_\_ Daytime Phone #: \_\_\_\_\_  
(Maiden, Nicknames, Previous Married Names, etc.)  
Alternate Phone #: \_\_\_\_\_

Drivers License No.: \_\_\_\_\_ State/Country: \_\_\_\_\_

Place of Birth: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Current Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Country: \_\_\_\_\_ Zip code: \_\_\_\_\_

I understand and agree that:

The Texas Lottery Commission shall conduct an investigation of my personal background to include criminal history record information maintained by the Department of Public Safety, the Federal Bureau of Investigation, Identification Division, or any other law enforcement agency. The Executive Director may request that I provide a complete set of legible fingerprints



and I further understand that I may be precluded from providing services for the Texas Lottery Commission for failing to provide such fingerprints on request.

I hereby give my voluntary consent to any investigation or any other inquiry into information described above. Further, I hereby consent to the release of any information including academic records to the Texas Lottery Commission, Enforcement Division, or persons conducting an investigation or inquiry on their behalf. I understand that certain information obtained through this investigation or inquiry may preclude me from providing services for the Texas Lottery Commission.

I further hold harmless and release the Texas Lottery Commission, its agents, officers or employees, from any and all liability for this investigation or inquiry, and any action taken as result of information obtained through the investigation or inquiry. I further hold harmless and release any person providing information in good faith to the Texas Lottery Commission or to any person conducting an investigation or inquiry on their behalf.

I further understand that any person or employee who intentionally, knowingly, recklessly, or with criminal negligence makes a material incorrect or deceptive oral or written statement to a person conducting an investigation commits a misdemeanor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



**ATTACHMENT E-1  
BACKGROUND INFORMATION  
CERTIFIED LIST OF VENDOR PRINCIPALS**

The following is a list of vendor principals for \_\_\_\_\_ (Company Name)  
as defined by Texas Government Code §466.155.

Vendor Principals as defined by Texas Government Code § 466.155 (attach additional sheets if necessary):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

List of all individuals subject to background investigation under section 4.6(attach additional sheets if necessary):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(signature of person authorized to contractually bind the Proposer)

\_\_\_\_\_  
(title)

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(date)



### ATTACHMENT F SAMPLE PERFORMANCE BOND

Bond No. \_\_\_\_\_

[company name, address], as Principal, and [surety company], a corporation licensed to do business in the State of Texas and admitted to write bonds, as Surety, are held and firmly bound unto the Texas Lottery Commission, P.O. Box 16630, Austin, Texas 78761-6630, as Obligee, in the full sum of [written amount] Dollars (\$) for the payment of which said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors, assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a written Contract with Obligee dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, for [type of services], which Contract is hereby referred to, as if fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of this obligation is such that, if during the term of this Contract (or annual bond), the Principal shall faithfully perform such Contract, or shall indemnify and save harmless the Obligee from all cost and damage by reason of Principal's failure to do so, then this obligation shall be null and void, otherwise it shall remain in full force and effect.  
(If annual bond, add this paragraph.)

The term of this obligation is for the period commencing on \_\_\_\_\_ and expiring at 12:00 a.m. on \_\_\_\_\_. This bond may be renewed on an annual basis at the option of the surety. If the surety does not choose to renew this obligation, it will so notify the Obligee and Principal not later than 30 days prior to its expiration.

IN WITNESS WHEREOF, the Principal and Surety have signed and sealed this instrument this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)	Principal:	_____
	By:	_____
(seal)	Surety:	_____
	By:	_____
		Attorney-in-Fact



### ATTACHMENT G SCORING MATRIX

Advertising Services RFP	Possible Points	% of Total	Points Awarded
The Proposer's price to provide the goods or services	500	25%	
<b>Cost Proposal Subtotal</b>	<b>500</b>	<b>25%</b>	
The probable quality of the offered goods and/or services.	900	45%	
The agency's evaluation of the likelihood of the Proposal to produce the desired outcome for the agency, considering:			
The quality of the Proposer's past performance in contracting with the Texas Lottery Commission, with other state entities, or with private sector entities.	200	10%	
The qualifications of the Proposer's personnel.	250	12.5%	
The experience of the Proposer in providing the requested goods or services.	150	7.5%	
The financial status of the Proposer.	Pass/Fail	-	
Whether the Proposer performed the good faith effort required by the HUB subcontracting plan.	Pass/Fail	-	
<b>Technical Proposal Subtotal</b>	<b>1500</b>	<b>75%</b>	
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	

The following formula will be used in scoring cost proposals:

Lowest Cost Proposal Amount / Other Cost Proposal Amount = % of total points available for the Cost Proposal.



## ATTACHMENT H COST PROPOSAL

**NOTE TO ALL PROPOSERS: THE COST PROPOSAL MUST BE SUBMITTED IN A SEPARATE AND LABELED SEALED ENVELOPE AND ATTACHED TO THE ORIGINAL PROPOSAL. PROPOSERS SHOULD ONLY SUBMIT ONE ORIGINAL OF THE COST PROPOSAL (NO COPIES ARE REQUIRED).**

Each Proposer must complete the cost proposal stating the hourly rates for the services stated in the RFP. Each hourly rate field must be completed with a value. Each field value amount must be greater than zero. "Not applicable" and "n/a" are not acceptable responses.

Please refer to the attached FY11 media flowchart (Attachment I) for an estimate of the production and media hours that will be required to service this account. The Texas Lottery's actual needs may vary from the sample media flowchart.

Hourly rates must include all direct and indirect costs, including all expenses associated with providing the services of this RFP, e.g., salaries, overhead, general and administrative expenses, and profit. Please refer to Section 2.10. Media placement will be reimbursed at net cost with no mark up. Public service announcements are not subject to media charges. Travel rates will be reimbursed pursuant to State per diem, film and placement verification storage, promotional events/sponsorship fees, and award entry fees shall be reimbursed from itemized invoices at actual cost and are not subject to hourly rates. All other expenditures will be reimbursed in accordance with approved written estimates and are not subject to mark up.

Services listed on this chart may be subcontracted (i.e. media planning/buying, digital, translation, etc.) If the proposer plans to subcontract for these services, hourly rates shall be listed in the chart that follows. Refer to Sections 6.2 Agency Staff Position Structure and 6.3 Agency Staff Positions Definitions.

TM Advertising has read, understands and will comply with the requirements in Attachment H - Cost Proposal. Per the RFP instructions, we have submitted the Cost Proposal in a sealed envelope.



	TITLE	HOURLY RATE
<b>Account Management</b>	Group Account Director	
	Account Director	
	Account Supervisor	
	Account Executive	
	Junior Account Executive	
	Account Coordinator	
	Account Planner	
	Assistant Account Planner	
<b>Media</b>	Media Director	
	Associate Media Director	
	Media Planner	
	Junior Media Planner	
	Media Buyer	
	Junior Media Buyer	
<b>Creative</b>	Creative Director	
	Associate Creative Director	
	Art Director	
	Copywriter	
	Copy Editor	
<b>Digital</b>	Digital Creative Director	
	Digital Producer	
	Digital Specialist	
	Programming Specialist	
<b>Production</b>	Production Manager	
	Production Coordinator	
	Broadcast Producer	
	Print Producer	
	Print Production Specialist	
	Art Buyer	
	Traffic Specialist	
	Project Manager	
	Translator	
<b>Promotions</b>	Promotional Event Planner	
	Promotions Specialist	
<b>Finance</b>	Finance Manager	
	Staff Accountant	
	Billing Coordinator	



### **Offered Options**

Proposers are not required to submit specifications and pricing for Offered Options. However, if any options are offered, the cost or fee shall be listed in this section.

TM Advertising has read, understands and will comply with the requirements in Attachment H - Cost Proposal. Per the RFP instructions, we have submitted the Cost Proposal in a sealed envelope.



**ATTACHMENT I  
MEDIA FLOWCHART**

## Texas Lottery Commission FY 2011 Media Flowchart

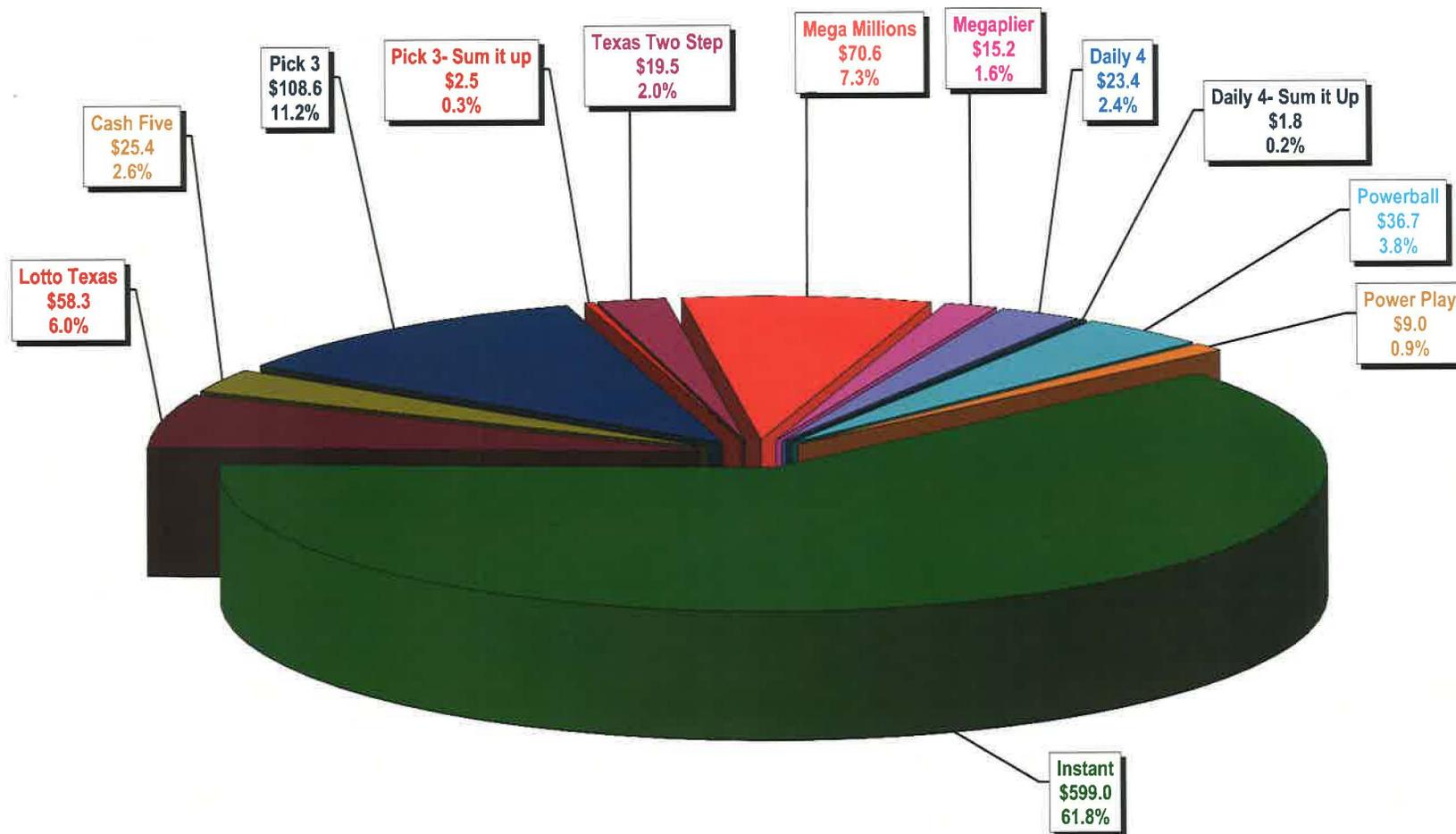
		2010												2011																																							
		September			October			November			December			January			February			March			April			May			June			July			August																		
		30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	31	7	14	21	28	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22
Mass Media	TV*	Blockbuster			Pick 3			Holiday			Holiday			Jumbo Bucks			Texas Lottery Black Ticket			\$500 Million Frenzy			Frenzy			Frenzy			Frenzy			Texas Lottery Black Ticket			Jackpot																		
	FOX Sports Southwest	FOX Sports Southwest																																																			
	Radio*	Blockbuster			Pick 3			Holiday			Holiday			Jumbo Bucks			Black Ticket			SXS			Frenzy			Frenzy			Frenzy			Black Ticket			Jackpot																		
	Radio Promos*	Dallas Cowboys & Houston Texans						Live Read TV						Black Ticket						SXS			NASCAR			Black Ticket																											
	Live Read TV	Live Read TV																																																			
	Traffic Radio*	Traffic Radio																																																			
Out-of-Home	PB	Powerball Outdoor Billboards (56 boards)																																																			
	Mega	Mega Millions Outdoor Billboards (54 boards)																																																			
	TTS	Texas Two Step Outdoor Billboards (15 boards)																																																			
	Dual	Dual Outdoor Billboards (6 Boards)																																																			
	Sunshine Boxes	Sunshine Boxes (136 units)																																																			
	Additional Outdoor Billboards	State Fair of Texas - Snipes			Holiday - #50 All Markets						Black Ticket - #25 Top 4 Markets						Black Ticket - #25 Top 4 Markets																																				
C-Store	NFL			Pick 3			Holiday			Black Ticket						Frenzy			Black Ticket																																		
Online	Online*	Dallas Cowboys & Houston Texans (NFL)																																																			
Print Publications		State Fair of Texas Program Guide						Texas Monthly						Texas Ranger Yearbook																																							
Newspaper	End of Game Notices*	EOG			EOG			EOG			EOG			EOG			EOG			EOG			EOG			EOG			EOG			EOG																					
	EM Sell Ads*	SA			SA			SA			SA			SA			WSJ			SA			SA/WSJ			WSJ			WSJ																								
	EM HUB Ads*	HUB			HUB			HUB			HUB			HUB			HUB			HUB			HUB			HUB			HUB																								
Promotional Events/ Sponsorships	Sponsorships*	College Football - UT & Texas A&M												MLK			Houston Dynamo																																				
	Street Teams	College Football - UT & Texas A&M												SXS			Houston Dynamo																																				
	Events*	State Fair of Texas						San Antonio Rodeo						Sombrero Fest			SXS			Cinco de Mayo																																	

\*Includes Ethnic Market components, if not noted includes General Market only.  
Each campaign includes a comprehensive Point of Sale production (5-7 pieces)



**ATTACHMENT J**  
**FY11 SALES/REVENUE BY GAME**

Texas Lottery Commission  
Fiscal Year 2011 Revenue by Game  
(in millions)



Total Year-to-Date Revenue: \$970.01 million



**REQUEST FOR PROPOSALS  
FOR  
Advertising SERVICES  
RFP # 362-12-0002**

The following is adopted by Amendment to the RFP, as permitted by Section 2.13.

**AMENDMENT NO. 1**

**5.3 ASSISTANCE FOR PREPARATION OF HSP**

5.3.1 *Pre-Proposal Conference.* Proposers are encouraged to attend the pre-proposal conference. Proposers may ask questions at the pre-proposal conference regarding the HSP. A video of the pre-proposal conference as well as a copy of the HSP booklet provided during the conference will be posted on the Texas Lottery website.

*HUB Subcontracting Opportunity Notification Form and HSP Quick Check List.* Attached to this RFP is a HUB Subcontracting Opportunity Notification Form (Attachment C-1) and HSP Quick Check List (Attachment C-2) prepared by the Texas Comptroller. Proposers are encouraged to use Attachment C-1 when sending notice of the subcontracting opportunity. Attachment C-2 is intended to assist Proposers in preparing the HSP forms, but is not required to be submitted with Proposals.

5.3.2 *Additional TLC Assistance.* ~~During the period following issuance of the RFP and up to fifteen (15) Working Days prior to the deadline for proposals, the~~ **The TLC** will:

- Review draft HSP forms submitted by any Proposer and provide feedback to that Proposer only. **Draft HSP forms submitted for review must be received by TLC no later than 4 p.m. (CT) on February 3, 2012;** and/or
- Schedule one-on-one workshops with a Proposer to discuss HSP requirements and/or to review draft HSP forms, at the Proposer's request. **One-on-one workshops must be concluded no later than 4 p.m. (CT) on February 3, 2012.**

5.3.3 The Texas Lottery also will respond to any ~~written~~ questions regarding the HSP process that are submitted in writing, up to the date of the deadline for Proposals.

## **AMENDMENT NO. 2**

5.5.1 The Texas Lottery has identified the following potential subcontracting opportunities under this RFP. **Proposers intending to subcontract any “core services” must perform the good faith effort detailed in the HSP instructions and include a compliant HSP with the Proposal.**

**After Contract Award, for “non-core services” (denoted with an asterisk and in bold/blue font below) that the Successful Proposer intends to subcontract, the Successful Proposer shall be required to perform the good faith effort and, per section 7.14.2, obtain at least three competitive bids for expenditures that exceed \$5,000.**

### **CLASS 037: AMUSEMENT, DECORATIONS, ENTERTAINMENT, GIFTS, TOYS, ETC.**

#### Item Numbers and Commodity Descriptions:

- \*37-25 Carnival and Fair Equipment, Accessories and Supplies**
- 37-52 Novelties and Advertising Specialty Products, Including Biodegradable
- 37-78 Souvenirs: Promotional, Advertising, etc.

### **CLASS 578: MISCELLANEOUS PRODUCTS (NOT OTHERWISE CLASSIFIED)**

#### Item Numbers and Commodity Descriptions:

- 578-31 Display and Showroom Equipment and Supplies (Including Exhibit Booths)

### **CLASS 915: COMMUNICATIONS AND MEDIA RELATED SERVICES**

#### Item Numbers and Commodity Descriptions:

- 915-01 Advertising Agency Services
- 915-04 Advertising, Outdoor Billboard, etc.
- \*915-06 Audio Production**
- \*915-08 Audio Media Duplicating Services (Incl. Cassettes, CD Roms, Tapes, etc.)**
- 915-14 Broadcasting Services, Radio
- 915-15 Broadcasting Services, Television
- 915-26 EDI (Electronic Data Interchange) Value Added Network (VAN) Services
- 915-27 Editorial Services
- \*915-42 Film and Slide/Tape Production Services**
- 915-48 Graphic Arts Services (Not Printing)
- 915-58 Mailing Services (Incl. Addressing, Collating, Packaging, Sorting and Delivery)
- 915-59 Mail Services, Express
- 915-71 Newspaper and Publication Advertising
- \*915-72 Photography (Not Including Aerial Photography)**
- \*915-74 Radio Commercial Production**
- \*915-78 Television Commercial Production**
- \*915-82 Video Production**
- \*915-90 Video Media Duplicating and Production Services (Including CD**

**Roms, Tapes, etc.)**

915-96 Web Page Design, Management and Maintenance Services

**CLASS 918: CONSULTING SERVICES**

Item Numbers and Commodity Descriptions:

918-07 Advertising Consulting

918-76 Marketing Consulting

**CLASS 920: DATA PROCESSING, COMPUTER, AND SOFTWARE SERVICES**

Item Numbers and Commodity Descriptions:

920-28 Emergency Back-up Services and Facilities for Data Processing

**CLASS 961: MISCELLANEOUS SERVICES, NO. 1 (NOT OTHERWISE CLASSIFIED)**

Item Numbers and Commodity Descriptions:

961-04 Artists (Including Digital Artists)

961-22 Costume Design and Creation Services

961-49 Legal Services, Attorneys

961-53 Marketing Services (Incl. Distribution, Research, Sales Promotions, etc.)

961-57 Musical Production Services

961-71 Talent Agency Services

961-75 Translation Services

**CLASS 962: MISCELLANEOUS SERVICES, NO. 2 (NOT OTHERWISE CLASSIFIED)**

Item Numbers and Commodity Descriptions:

962-03 Actor/Thespian Services

962-05 Amusement and Entertainment Services

962-24 Courier/Delivery Services (Including Air Courier Services)

**\*962-34 Event Planning Services**

962-60 Party, Holiday and Event Decorating Services

962-79 Sign Making Services

962-86 Transportation of Goods and Other Freight Services

**CLASS 965: PRINTING PREPARATIONS: ETCHING, PHOTOENGRAVING, AND PREPARATION OF MATS, NEGATIVES AND PLATES**

Item Number and Commodity Descriptions:

965-15 Artwork, Camera Ready

965-46 Graphic Design Services for Printing

965-70 Pre-Press: Color Separations, Composite Film, Stripping, Chromolin or Match-Print Proof, etc.

**CLASS 966: PRINTING AND TYPESETTING SERVICES**

Item Number and Commodity Descriptions:

**\*966-57 Offset Printing, General, Small Press Work (Quan. up to 25,000), One or More Colors, No 4 Color Processes or Large Solids or Close Registration; up to 11 x 17 In.: Brochures, Newsletters, Covers, Posters, etc.**

- \*966-60 Printing, Large Production Runs (Quan. Up to 100,000); 4 Color Process or Close Registration Required: Color Brochures, Maps, etc.
- \*966-84 Silk Screen Printing
- \*966-86 Specialty Printing: Die Cutting, Laser, Plastic, Thermography, etc. (Folders, Invitations, Tabs, Binders, etc.)

**CLASS 971: REAL PROPERTY RENTAL OR LEASE**

Item Number and Commodity Descriptions:

971-70 Storage Space Rental or Lease

**AMENDMENT NO. 3**

7.14.2 For expenditures **for non-core services** that exceed \$5,000, the Successful Proposer must obtain at least three (3) competitive bids to be used in the preparation of written estimates. The **areas non-core services** which will require competitive bidding are identified in Section **5.5.1** of this RFP. In obtaining bids, the Successful Proposer must comply with the HSP requirements. The Successful Proposer shall be required to provide all supporting documentation of bids for these charges along with the job cost estimate.

## AMENDMENTS TO RFP

The following have been adopted by Amendment to the RFP, as permitted by Section 2.13 of the RFP.

### Amendment No. 4

#### Glossary of Terms

**Works** - Any tangible or intangible items or things that have been or will be prepared, created, maintained, serviced or developed by the Successful Proposer(s) (or such third parties as the Successful Proposer(s) may be permitted to engage) at any time following the effective date of the Contract, for or on behalf of TLC under the Contract, including but not limited to any (i) works of authorship (such as literary works, musical works, dramatic works, choreographic works, pictorial, graphic and sculptural works, motion pictures and other audiovisual works, sound recordings and architectural works, which includes but is not limited to lottery games, game names, game designs, ticket format and layout, manuals, instructions, printed material, **graphics**, artwork, images, illustrations, **photographs**, computer software, scripts, object code, source code or other programming code, HTML code, data, information, **multimedia files**, **text web pages or web sites**, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to TLC under the Contract, and (viii) all Intellectual Property Rights in any of the foregoing.

### Amendment No. 5

#### 3.31 INDEMNIFICATION

- 3.31.1 The Successful Proposer shall indemnify, defend and hold the Texas Lottery, its commission members, the State of Texas, and its agents, attorneys, employees, representatives and assigns (the "Indemnified Parties") harmless from and against any and all claims, demands, causes of action, liabilities, lawsuits, losses, damages, costs, expenses or attorneys' fees (collectively, "Claim"), and including any liability of any nature or kind arising out of a Claim for or on account of the Works, or other goods, services or deliverables provided as the result of any Contract resulting from this RFP, which may be incurred, suffered, or required in whole or in part by an actual or alleged act or omission of the Successful Proposer, or a Subcontractor of the Successful Proposer, or any person directly or

indirectly employed by the Successful Proposer or a Subcontractor of the Successful Proposer, whether the Claim is based on negligence, strict liability, intellectual property infringement or any other culpable conduct, whether frivolous or not. The foregoing indemnity obligations of the Successful Proposer shall not apply to Claims arising out of or related to the exceptions (y) and (z) set forth in Section 3.25.1 above.

## **Amendment No. 6**

### **3.32 BONDS AND INSURANCE**

All required bonds and insurance must be issued by companies or financial institutions which are financially rated Excellent or better as rated by A.M. Best Company and duly licensed, admitted, and authorized to do business in the State of Texas. The Texas Lottery shall be named as the obligee in each required bond. Each insurance policy, except those for **crime**, workers' compensation, employer's liability and professional liability, must name the Texas Lottery (and its officers, agents and employees) as an additional insured on the original policy and all renewals or replacements. Insurance coverage must include a waiver of subrogation in favor of the Texas Lottery, its officers, and employees for bodily injury (including death), property damage or any other loss. The insurance shall be evidenced by delivery to the Texas Lottery of certificates of insurance executed by the insurer or its authorized agency stating coverage, limits, expiration dates, and compliance with all applicable required provisions. Upon request, the Texas Lottery shall be entitled to receive, without expense, certified copies of the policies and all endorsements. Except as otherwise expressly provided herein, required coverage must remain in full force and effect throughout the term of the Contract and any extensions thereof, and provide adequate coverage for incidents discovered after termination of the Contract. Insurance coverage shall not be canceled, non-renewed or materially changed except after thirty (30) Days' notice by certified mail to the Texas Lottery. The Successful Proposer must submit original certificates of insurance for each required insurance contract, and any renewals thereof, within fifteen (15) Days after contract execution. Renewal certificates shall be submitted prior to or within fifteen (15) Days after expiration of the existing policy. Proposers must submit required bonds when and as provided in sections of this RFP outlining bond requirements.

## **Amendment No. 7**

**8.1.4 *The Assignment.*** Each Proposer shall create and submit as part of its Proposal an advertising campaign designed to increase awareness and trial of Holiday Scratch-Off products for both the general and **ethnic** markets. Each Proposer must consider and

provide information in regard to how the campaign will execute successfully against the Texas Lottery's product and campaign goals. The Texas Lottery's core audience is all Texans between the ages of 18 and 49.

The creative response, at a minimum, should include:

***(a) Advertising Strategy***

A solid and comprehensive strategy should be developed that addresses the assignment and meets the marketing objectives. The strategy should reflect a thorough understanding of Texas – its demography, its history and its current status as a minority-majority state. The strategy shall be grounded in and substantiated by research. Proposers are encouraged to seek additional quantitative and qualitative research.

***(b) Media Plan***

The Media Plan should detail the media, GRP levels and flights utilized to reach the intended audience. Digital media and event promotion details shall be presented here.

***(c) Budget***

The Budget should include all production and media costs and shall not exceed \$5million.

***(d) Creative***

The campaign's creative strategy should present original and engaging ideas that support the advertising strategy for general and ethnic markets. The creative response should include, at a minimum, one 30-second television spot, one 60-second radio spot, one outdoor billboard, and point-of-sale pieces.

Additionally, the campaign should include a strong digital component to demonstrate strategic thinking and planning in the digital space (this may include approaches such as: Internet ads, viral marketing, microsites, social media, mobile marketing etc.)

The final element of the campaign should be a related event or promotion. This event should complement the supporting campaign while encouraging product trial and fostering brand awareness.

All creative shall be in accordance with the Texas Lottery's mission, vision and core values and advertising sensitivity stipulations as described in this RFP.

***(e) Evaluation of Campaign Effectiveness***

Methods to evaluate campaign effectiveness shall be included. Such methods for monitoring, tracking and measuring the campaign's success should point to the effectiveness and efficiency in meeting the communication goals.

***(f) Campaign Guidelines***

All discussion and examples related to the creative assignment should be included in the Proposal. Proposers invited for an oral presentation may use props and/or electronic media (i.e., PowerPoint, video, audio, Internet) as aids.

The Texas Lottery has identified the following resources for use by Proposers in preparing the creative response. Proposers are encouraged to conduct additional quantitative and qualitative research. Resources:

- FY11 Media Plan (General and Ethnic Market), Attachment I
- FY10 Sales/Revenue by Game, Attachment J
- Demographic Study, available at <http://www.txlottery.org/info/reports.cfm>
- National Association of State and Provincial Lotteries (NASPL), [www.naspl.org](http://www.naspl.org)
- La Fleur's, [www.lafleurs.com](http://www.lafleurs.com)