

**Texas Lottery Commission
Lottery Operations and Services RFP
Evaluation Scoring Matrix Documentation**

Vendor Name: INTRALOT
Evaluator Name: <i>M. Fournier</i>

Pre-Qualification		Date / Time
A.	Mandatory Pre-Proposal Conference and Non-Disclosure Statement	
A.1	The Proposer attended one of the mandatory pre-proposal conferences and submitted a signed non-disclosure statement.	
B.	Cost Proposal and Proposer's Commitment Submission	
B.1	The Proposer submitted the Cost Proposal and Proposer's Commitment in the manner as prescribed and by the deadline provided in Section 2 of the RFP.	
C.	Technical Proposal, Bid Bond/Proposal Surety and Protest/Litigation Bond Submission	
C.1	The Proposer submitted the Technical Proposal, Bid Bond/Proposal Surety and Protest/Litigation Bond in the manner as prescribed and by the deadline provided in Section 2 of the RFP.	

Round 1: Minimum Qualification Requirements		
A.	Financial Status of the Proposer	
A.1	The Proposer is financially viable and Office of the Controller has validated the financial status of the Proposer.	Pass/Fail
B.	Historically Underutilized Businesses (HUB)	
B.1	Whether the Proposer performed the good faith effort required by the HUB subcontracting plan. *HUB Subcontracting Plan *Mandatory HSP Workshop	Pass/Fail

The RFP references are intended as a guide for Proposers in preparing responses to this RFP, but

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.1	Past Performance. The quality of the Proposer's past		550
2.1.1	Contract performance issues, which include, but are not limited to: --contract terminations --sanctions / liquidated damages / goods or services in lieu of sanctions/LDs --significant or material audit findings or compliance issues --disciplinary action for substandard work or unethical practices --pending/past litigation --gaming license status	4.2.5(a), (b), (c), (d), (e), (f), (g)	440
2.1.2	Reference checks and site visits (to include site visits to other lotteries if applicable)	4.4 and 2.22	110

Total Points

INTRALOT	
No contract terminations; Sanctions/Liquidated Damages never paid or provided in-kind services, although some have assessed; No audit findings; No disciplinary action/substandard work/unethical practices; No litigation reported; No gaming license denied/pending. Clarifications: Nebraska potential sanctions waived in lieu of Intralot fixing a list of items of concern. Ohio potential sanctions not assessed or waived.	
9/27 Corporate Site Visit-brief welcome by Tom Little, majority of presentation both at corporate and customer site conducted by Lynn Becker; minimal staff located at corporate headquarters as stated by Tom Little and Lynn Becker; multiple applications demonstrated; note Toad software for data mining appears to require programming statements for report development; tour of Spacenet (used by all bidding vendors) 9/28 Ohio visit-Photon terminal good, play slip image reader can create a second wager upon removal by clerk from terminal holder, no ticket branding addressed. microdot+ is small footprint and has four separate components, appears to operate well; Winstation self service, push a button get a ticket design including online games, single row burster technology, operational demonstration by Lynn Becker using foot to get ticket; IPT did not appear robust, could not get full screen of data; provided internet links for age verification for subscription system; warehouse and distribution system was good operation and automated, orders keyed and filled in same day; help desk system appeared comprehensive; provided good demonstration and live order placement for instant ticket ordering system but CSR overrode all predictive ordering recommendations; FEs and call center staff are all contractors; Retailer visits were not very impressive, some bins on self service equipment were empty, POS signage was out of date. Reference checks from Arkansas, Idaho, New Mexico (rollout delayed due to acceptance testing failure for self service equipment). Ohio.	

2.2	Personnel. The qualifications of the Proposer's personnel.		800
2.2.1	Executive Management – General Manager/Site Director, Assistant General Manager, and any other officers or key personnel who will provide direction or oversight to the Texas Lottery account.	4.3.2(a)	160
2.2.2	Data Center/Operations – Data Center Supervisor, Software Development Manager, Texas Lottery Liaison and any other staff who will have oversight or manage system operations for the Texas Lottery account.	4.3.2(b)	80
2.2.3	Call Center – Call Center Manager, Retailer Support Supervisor, Dispatch and Supply Inventory Supervisor or other key personnel who will provide direction or oversight to the Texas Lottery account.	4.3.2(c)	80

GM, Bruce Anderson, not Intralot employee (7 years industry experience, 6 years EDS); Deputy GM, Terry Patterson, (28 years lottery experience); General Counsel, Jay Lapine, Texas compliance manager reports to him, involved in settlement case with SEC for fraud.	
Operations Director, Tim Hallet, (24 years industry experience; 1 year of data center experience); Software Development Director, Steve Fox, appears qualified (12 years experience)	
Customer Service Director, Michael Kovalchin (7 yr experience); remaining key positions to be hired upon contract award, to interview outgoing vendor personnel.	

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.2.4	Sales and Marketing – Sales Manager, Marketing Manager, Promotions Manager/Coordinator, District/field Sales Managers, Corporate/Chain Account Manager, New Business Development/Recruitment Manager, Research Associate, and any other staff who will provide sales or marketing input, direction or recommendations for the Texas Lottery account	4.3.2(d)	160
2.2.5	Warehouse and Distribution – Warehouse Manager.	4.3.2(e)	80
2.2.6	Transition Team – Project Manager and key personnel assigned to the transition and implementation of the Texas Lottery account.	4.3.2(f)	120
2.2.7	Organizational structure for Texas Lottery account, which includes position titles and number of positions and staffing schedule for unfilled positions and dates when key management will be available.	4.3.1; 4.3.5 and 4.3.6	120

Total Points

INTRALOT
Chief Marketing Officer, Patricia Koop, not with Intralot (18 years experience); Deputy Chief Marketing Officer, Karen Porter, not with Intralot, formally with TLC; Director of Sales, Phil Sherwood, not with Intralot, past sales experience; Director of Research, Chitra Thankaswamy, not with Intralot (7 years experience); remaining key positions to be hired upon contract award, to interview outgoing vendor personnel.
Distribution Services Director, John Hadley, appears well qualified (16 years experience); remaining key positions to be hired upon contract award, to interview outgoing vendor personnel.
8 Project Managers, 2 Assistant Project Managers; Project Implementation Director, Bruce Anderson, only CPMP on team; proposal states others will be certified; project implementation team appears qualified with exception for Project Manager Software, George Fotopoulos, resume does indicate software background.
Organizational chart with employees as a baseline offering; intend to offer positions to incumbent staff, however it appears some key positions (sales/marketing/call center/FEs) 30-days before implementation date; FE and call center staff are contractors. Sales organizational structure lacks clarity; multiple org charts that conflict. Compliance section reports to General Counsel.

2.3	Quality. The probable quality of the offered goods or services.		2,600
2.3.1	ACCOUNT MANAGEMENT AND ADMINISTRATION		130
2.3.1.1	Account management; Service level monitoring; Service management, which includes incident and problem management, capacity management and performance management; Compliance review.	6.2 through 6.5	46
2.3.1.2	Facilities support services, which includes all facilities and equipment to support the Texas Lottery account.	6.6	20
2.3.1.3	Business continuity and disaster recovery capabilities which includes primary site system recovery.	6.7	32
2.3.1.4	Training activities which includes training on Lottery Gaming System, various retailer training requirements and LSR training.	6.8	32
2.3.2	LOTTERY GAMING SYSTEM		780
	On-Line Games		47

DR not addressed 6.2 #13 (organizational charts) #14 (incentives report) #15 (vacancy report) #16 (conflict disclosure) #17 (change in financial position) 6.5 #9 (reimburse costs for compliance reviews) (P1) Statement that Intralot in concert with TLC will develop a mutually agreed upon service catalog that will list the services being provided, however all service levels have been defined in RFP terms and conditions and Intralot accepted all terms and conditions. Service level monitoring numerous applications and tools to monitor real time and generate reports; multiple tools for monitoring and managing incidents, problems, capacity and system performance; 3 FTES for compliance, however department reports to General Counsel (fraud issue).
DR not addressed #6 (responsibility for acquisition costs) #16 (partial-no holiday list provided or mentioned) #24 (requirement is to operate from BDC once month; proposal is once a quarter, Pg6.6-10) Central Distribution Warehouse hours M-F 8-5pm; weekends other times as necessary; BDC in located in Irving; 10 sales districts (which includes Austin)
RR #2 did not address that BC/DR plan that would meet TAC202 requirements, DR #10 (Business Continuity/Disaster Recovery Plan due 90-days after contract execution; proposal is production start up date). High level BC/DR plan outline for corporate provided, no Texas plan provided; failover capabilities exist at PDC and BDC; instant tickets delivered by UPS, LSRs & FSRs (contract staff) as backup.
DR not addressed #13a and #13d (retailer and best practices guides) #17 (ongoing training) #20 (LSR required training; response focuses on "Train the Trainer) #21 (promotions training). Recommended training is trade show style (primary training); also offer classroom style (secondary training); train-the-trainer courses for chains; call center will call retailers to set up training; 28 proposed locations, estimated drive of no more than 50 minutes; training mode on terminals

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.3.2.1	On-Line game development which includes demonstrated experience and success in On-Line game development, research and implementation.	7.2.1	21
2.3.2.2	On-Line game controls which includes development and monitoring of On-Line game control features.	7.2.2	12
2.3.2.3	Drawings which includes the Lottery Gaming System's capability to meet the Texas Lottery's drawing requirements.	7.2.3	14
Instant Ticket Game Management			47
2.3.2.4	Lottery Gaming System's capability to support the volume, scope, development and management of the Texas Lottery's Instant Ticket operations, which includes the ability to inquire, track and monitor pack activity both globally and at the Retailer level, and monitor game inventory levels and order statuses.	7.3	47
Claims and Validations			47
2.3.2.6	Lottery Gaming System's validation capabilities, which include Integrated On-Line and Instant Ticket claims, validations and payments, and check writing software and hardware for use at Texas Lottery headquarters and each of the Texas Lottery Claim Centers.	7.4	37
2.3.2.7	Lottery Gaming System's functionality for a secured method (and equivalent backup method) of applying required signature(s) to the check stock during the check printing process.	7.4	10
Retailer Management			47
2.3.2.8	Integrated Lottery Gaming System to support the Texas Lottery's retailer management functions, which includes retailer maintenance and license application processing, inventory management, accounting and access control.	7.5	33
2.3.2.9	Lottery Gaming System's ability to provide online access to retailer management transactional data.	7.5	14
Lottery Gaming System General Requirements			94
2.3.2.10	Lottery Gaming System's ability to meet the Texas Lottery's configuration, capacity and performance requirements; detect and report fraudulent transactions and activities; and meet data exchange requirements.	7.6.1 and 7.6.2	42
2.3.2.11	Lottery Gaming System's capability for configuring and executing player and retailer promotions.	7.6.3	19

INTRALOT
RR #3 does not include sales expectations vs. actual performance for examples provided, DRs not addressed #22 (IP search) #23 (proprietary games) #24 (licensed games). Game library of approximately types/variations; B-On gaming platform for digital distribution channels; appears to have a solid approach to game development and analysis and research; very little information on game implementation. Offering mystery shop.
DR not addressed #3 (advanced wagers) #4 (multi-draw) response does not address 365 day requirement. Meets all requirements with the exception of those detail requirements not specifically addressed.
DR not addressed #6 (variation in drawings) #8 (display/print for draw activities) #9 (winning retailer number for top tier jackpot tickets) #10 (enter new jackpot within 4 hours). Appears to meet draw control requirements with the exception of those detail requirements not specifically addressed.
DR not addressed #4 (calculate retailer adjustments) #7 (weekly report of projected inventory sell out) #9 (field for comments for changes made) #11 (restore closed games). IGMS supports instant ticket activities including tracking and monitoring; automated ticket ordering system; orders through predictive/tel-sell, retailer terminal, initial allocation, manual orders; real time transfer of Tel-sell orders to warehouse to be packed immediately; predictive re-orders process based on number of inventory related parameters such as stock on hand, ordered but not received, received but not activated, average number of tickets sold by game, Tel-sell call cycle, etc. Site visit-IPT did not function well, some fields could not read all text, system locked up several times.
DR not addressed #6 (changes to primary printer must also be made to back up printer) #19 (ability to combine multiple low/mid tier claims into a single claim) #20 (process manual prize payment). Use barcode for ticket check; option in base price to upgrade from wired to wireless barcode scanners; LOTOS OS check writing application with privileged terminals and check-writer printers
Encrypted signature file stored on LOTOS system; accessed by check writing software application.
Passed Battelle benchmark tests. DRs not addressed #8 (support 150000 active/cancelled retailers) #11 (multiple narratives-partially addressed throughout) #12 (36 months of records access) #13 (36 months sales history) #14 (summary statements online 36 months) #20 (track NSF and calculate penalties) #22 (three tiered coding for defining retailers) #23 (status codes) #24 (reason codes) #25 (retailer accounting for ICS and multiple EFT) #26 (upload retailer files) #27 (reporting of all gaming data) #28 (search and reporting tools). Appears to be baseline system that will require extensive customization; online submission of license application/renewal would have to be developed, did not address payment collection or accounting. Retailer messaging and payment application for bonus checks is good.
Section not relevant, discusses system security features. Does not describe ability to provide online access to retailer management transactional data.
Passed Battelle benchmark tests. DR not addressed #19 (archived files from previous lottery operator system) DR #20 (operate BDC once a month; response is once a quarter). 24 hour a day processing; redundant system with no single point of failure; time stamp to nearest second; multiple fraud detection activities.
DR #6 (partial-report player contest winners/address/prize amount). OnQ provides extensive parameters to meet all online promotional requirements; can be scheduled up to the day before they will be active.

Round 2: Technical Scoring			RFP Reference	Maximum Available Points	INTRALOT
2.3.2.12	Web-based systems to support "Second-Chance Drawings", player registration programs for informational, promotional and data gathering purposes, and mail order subscription services which includes transaction handling, prize payout and age verification features. including the processing of all subscription orders, age verification of players, and payment of prizes.	7.6.3	33		b-On subscription service; online registration or scan application on terminal and receive reference for follow up; ewallet with automatic transfer of winnings; second chance drawing website; no age verification details
System Management, System Security and ICS System and Vendor Requirements				78	
2.3.2.13	Change and release management process, and test environment and access for conducting user acceptance testing.	7.7	8		Meet all requirements
2.3.2.14	Lottery Gaming System's security plan, which includes physical and logical security components and an overview of the policies and practices to prevent, detect, and resolve security breaches.	7.8	35		DR #8 (security plan w/in 90 days in accordance with TAC 202-proposal states plan would be provided before go-live and did not address TAC 202) DR not addressed #9 (periodic security assessments required by TAC 202) DR #10 (system administrator for TLC staff) With the exceptions noted above, meets security requirements.
2.3.2.15	Processing transactions from the Lottery Gaming System to the internal control system, which includes handling out-of-balance incidents and accomplishing electronic funds transfers.	7.10	35		DRs not addressed #8 (convert 10 years of data) #10 (partial-proposal did not confirm four hour requirement to load game file) With the exceptions noted above, meets ICS requirements; EFT fees to be paid by Intralot.
Reporting				47	
2.3.2.16	Reporting functions which include the ability of the Lottery Gaming System to produce a variety of reports as well as the ability of Texas Lottery staff to create ad-hoc Systems reports using user-friendly graphical tools.	7.9	47		DR#8 (partial-proposal did not address ability to track owner or user of reports) Report catalog that includes various game, sales and operational reports; from site visit, TOAD software (per site visit) used for ad-hoc reporting and appears to use programming statements for report development.
System Supported Terminal Functions				47	
2.3.2.17	System supported terminal functions, which include the Lottery Gaming System's capability to inquire and log ticket prize inquiries from all sales terminals, including player activated, and communication of winning, non-winning and actual prize amount data.	7.11	47		Passed Battelle benchmark tests. Meets all requirements. Did not state how terminals would integrate with retailers BOS; just discussed XML and website reports
Sales Terminals and Related System Sales Equipment				94	
2.3.2.18	Sales Terminals and related System equipment that offer the broadest diversity of options for deployment in support of current and future Texas Lottery retail venues.	7.12	61		Passed Battelle benchmark tests. Retailer terminal-Photon, uses digital imaging scanner for play slips which can potentially create a duplicate wager if play slip left in tray; Small footprint MicroLOT+, four separate components (terminal, barcode reader, scanner and VFD); Self Service Winstation, push a button get a ticket for both instant and online, multi-media is starlight sign, low/out inventory status sent to central system; Ticket Checker, Coronis TC; LSR/Handheld Terminal (same device for mobile and LSR), IPT; all terminal devices have been deployed; offering wired or wireless bar code readers in base price. Stylot in-lane solution uses wireless pen to capture digital image. Clarification-smart card readers at additional cost (requirement is they must be included)
2.3.2.19	Functionality or capability of all online devices to interact with the back office systems of Retailers.	7.12	19		No discussion on how system will interact with retailers back office systems; XML data files and website for retailer accounting.
2.3.2.20	Sample Retailer training manual and other options for training Retailers such as including training manual within the Retailer Terminal.	7.12	14		Meets all requirements

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
Installation, Relocation and Removal and Maintenance and Repair			47
2.3.2.21	Plan and procedures for handling equipment installation, relocation and/or removal requirements.	7.12.1	12
2.3.2.22	Plan and procedures for the maintenance and repair of all terminals and related Sales Equipment, which includes a preventative maintenance schedule and procedures for resolution of chronic problems.	7.12.2	12
2.3.2.23	Staffing levels to cover repair functions and the planned location of staff.	7.12.2	12
2.3.2.24	Lottery Gaming System capability to remotely monitor all deployed equipment for proper operational functionality and identification of equipment malfunctions or failure.	7.12.2	11
Call Center Support			60
2.3.2.25	Call Center staffing and management to support the Texas Lottery's diverse Retailer base; ensure timely, professional, courteous and accurate response to all calls; achieve required performance levels; and plan for handling chronic problems.	7.13	60
Ticket Inventory Supply and Management			78
2.3.2.26	Innovative solutions to enhance inventory order and distribution beyond the noted requirements of the RFP.	7.13	12
2.3.2.27	Staffing and management of the ticket inventory and supply management functions to support the Texas Lottery's diverse Retailer base. Procedures to process special, out of cycle, express, expedited or emergency orders.	7.13	43
2.3.2.28	Ability to allow Retailers to order at anytime through an automated system, rather than ordering in response to a telemarketing call, which includes the ability to manage and place proper controls on this ordering process.	7.13	23
Communications Network			47
2.3.2.29	Communications network, which includes information and diagrams to support the performance capabilities of the Lottery Gaming System and the Texas Lottery.	7.14	47
2.3.3 SALES AND MARKETING			910
Sales Management and Business Development and Marketing			182
2.3.3.1	Route sales component to support Retailer locations.	8.2	18
2.3.3.2	Sales management staff responsible for identifying new selling and business development opportunities.	8.2	73

INTRALOT
Acknowledged requirements; no discussion
Responsive section; PM every 120 days per schedule or during any FE visit; repair depot in Austin; chronic problems referred for review after 3 incidents in a 90-day period, replaced after 4 incidents
16 service center; organization chart includes 118 field service technicians (contracted staff), 9 bench repair technicians and 4 drivers.
Addressed through a variety of monitoring tools.
RR#4 (did not address call center ability to handle diverse retailer license base) Staffing will be 15 associates and 3 supervisors/manager (contracted staff); states call center back up will be Dallas, but did not address staffing or facilities to support; records maintained for 365 days, requirement is 6 months; random monitoring (daily) of call center associates; chronic problems referred for review after 3 incidents in a 90-day period, replaced after 4 incidents; site visit-call center monitoring software good.
IGMS Intrasell predictive ordering system that "analyzes broad characteristics of instant sales demographics and applies that information to decision support regarding individual retailer sales history"; auto reorder of consumables; LSR vehicles-Mini-Warehouses; Automatic Ticket Order Sorting; orders filled and shipped same day for delivery next day
DR not addressed #24 (ability to obtain real time updates on orders processed and/or packed) Staffing will be 18 Customer Service Representatives and 3 supervisors/manager; recruit bi-lingual including other major languages of retailer communities; express/emergency orders will be delivered overnight, if retailer is out of stock LSR/FST will deliver; Clarification-TelSell hours M-F 7-5pm (requirement is M-F 7-6pm).
Thorough section. System generated initial order and reorder, retailer website and retailer terminal; predefined order limits for control; orders reviewed by CSR/LSR prior to issue.
Passed Battelle benchmark tests. VSAT for 90%; 3G where VSAT unavailable; load balancing between 4 satellites; no dual comm.
Full service support for route sales provided by LSRs; central system monitoring of equipment provides real-time equipment status; LOTOS O/S will facilitate financial management
Staffing will be Chief Marketing Officer-Patricia Koop (17 years experience currently with Florida lottery); Director of Sales-Phil Sherwood (26 years experience, not with Intralot), LSR Trainer, 10 DSMs, 4 Supervisors, 159 LSRs (all positions to be filled), 4 retailer recruitment; no corporate sales/marketing staff support identified.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.3.3.3	Marketing staff responsible for identifying new product and marketing strategies.	8.3	55
2.3.3.4	Sales and marketing organization structure to support and optimize Lottery sales.	8.2 and 8.3	36
Lottery Sales Representatives			136
2.3.3.5	LSR organization structure and how it will support Lottery Retailers across the entire geographic and population diversity of the State of Texas, which includes the proposed staff to Retailer ratio for the provision of Lottery Sales Representative activities.	8.4	82
2.3.3.6	Incentive plan for LSRs.	8.4	27
2.3.3.7	Sales services customized to strategically optimize sales performance.	8.4	27
Retailer Visit			91
2.3.3.8	Retailer visits and support.	8.4.1	27
2.3.3.9	Monitor and manage LSR performance to ensure that all LSR visit standards are being met.	8.4.1	27
2.3.3.10	Enhanced schedule for Retailer visits that exceeds the minimum required visits for general support and sales activity that emphasizes sales optimization. Overview of the methodology and strategy that will be used to enhance sales.	8.4.1	37
LSR Ticket Retrieval, Transfers and Returns			73
2.3.3.11	Perform ticket retrieval, transfers and returns to optimize the inventory mix at retail locations in coordination with Retailers.	8.4.2	36
2.3.3.12	Retailer-to-Retailer pack transfers utilized to optimize inventory availability, which includes the methods for carrying out these transfers and the security and control measures that will be put in place and how system records will be maintained.	8.4.2	37
Instant Ticket Game Close			46
2.3.3.12	Process for handling Instant Ticket game close.	8.4.3	46
Retailer Contests and Retailer-based Player Promotions			91
2.3.3.13	Retailer contests and promotions to increase Instant and On-Line Ticket Sales.	8.5	46

INTRALOT
Chief Marketing Officer-Patricia Koop, Deputy Marketing Director-Karen Porter (previous Texas experience, not currently with Intralot); 4 Corporate and Key accounts, 4 market research, instant & online product managers, interactive & social media coordinators, promotions (5) and advertising manager; subcontracts with MOSAK Advertising & Insights and NuStats; organizational structure is not well defined.
8.2 RR#3 did not provide detail on optimizing sales, DR not addressed #14 (marketing content Corporate/Chain/Key accounts). Total staff for sales and marketing is 202; proposed a variety of meetings but structure and attendees conflict; states corporate will provide sales and marketing support but does not identify related corporate staff.
LSR Ratio 1:99; Director of Sales (Phil Sherwood), administrative assistant, LSR Trainer, 10 district sales managers, 4 supervisors (Houston and Dallas), 159 LSRs, retailer recruitment manager and recruiters (3); proposed hiring as many incumbent staff as possible; 10 regional offices; average 12 visits per day (clarification says 11 visits per day and did not address how extra visits for the top 20% retailers is included in ratio)
Incentives include holiday incentive time, recruiting incentives, promotions target incentives, and sales target incentives. No details on ratio of base salary to incentives.
Performance improvement plans developed for bottom 60% of the retailers in each LSR area; Semi-annually provide retailers COMPETITIVE EDGE training on retail sales tactics and best practices.
Meets all requirements. All retailers visited once every two weeks; average 12 visits per day (clarification says 11 visits per day)
LSR data from each visit is entered in IPT and uploaded to LOTOS system; IPT demo weak ; district sales managers monitor LSR schedules and performance reports from LOTOS daily; monitor LSRs with GPS.
Weekly visits for top 20% of retailers in each district; quarterly goals set for bottom 60%; sales strategies include keeping instant ticket bins full, jackpot alerts and retailer advertising.
LSRs to manage overstocks in field through retailer-to-retailer transfers; ticket transfers will be managed through IPT or retailer terminal; documentation to be developed
Retailer-to-retailer transfers through IPT and retailer terminal, IGMS system will track pack status and inventory levels; no discussion on security measures
Game close notification (through website, retailer links, RoundUp publication, terminal messaging, LSR and instant desk CSRs notify during visits and calls); LSRs will retrieve tickets from retailers (IPT/terminal tracking); Tickets transferred to district office and status changed; tickets returned to central warehouse; outlined ticket retrieval process of one sales cycle, but call process is 45 days due to size and complexity of Texas.
RR#1 did not confirm roles/respon/req. DR#20 not addressed (RNG) OnQ provides ability to queue up and run promotions as soon as next day. Extensive list of example/recommended promotions for Texas; no player facing examples.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.3.3.14	Incentive programs for Retailers, which includes when such programs should be initiated and the benefits of such programs in maximizing revenue to the State from the sale of Texas Lottery Products.	8.5	45
Promotional Events and Retailer Promotions			91
2.3.3.15	Promotional equipment and capabilities to support the Promotions Plan, which also includes approach to promotions and how the plan is developed.	8.6	59
2.3.3.16	Promotions program team to run the statewide Promotions Plan, which includes how the team will be coordinated and trained to maximize the benefits of the program.	8.6	32
Marketing Materials and Related Equipment			91
2.3.3.17	Marketing materials and related equipment used to support sales and marketing activities for all Lottery Products.	8.7	59
2.3.3.18	Remote wired and wireless signage that is connected to the Retailer Terminals.	8.7	32
Research and Lottery Product Development			109
2.3.3.19	Research and development process for new games and new game introductions, which includes the research methods utilized to develop, gather, analyze and report data.	8.8	43
2.3.3.20	Methods utilized to obtain and use geographic and psychographic information for making business recommendation to the Texas Lottery.	8.8	22
2.3.3.21	Research and development staff to conduct research on new selling opportunities and new marketing strategies.	8.8	22
2.3.3.22	Research and/or data analyst staff to respond to special reporting requests, develop / respond to requests for specialized sales analysis, etc.	8.8	22
2.3.4	WAREHOUSE AND DISTRIBUTION SERVICES		520
New Instant Ticket Delivery and Storage			114
2.3.4.1	Automation for managing, fulfilling, and storing instant ticket orders.	9.2	46
2.3.4.2	Staging and distribution plan for simultaneous Instant Ticket game sales launches.	9.2	34
2.3.4.3	Warehousing and distribution methodology and staffing plan, which includes any automated functions.	9.2	34
Instant Ticket Delivery			104

INTRALOT
DR#18 annual incentive program plan-did not confirm May 31st requirement. Retailer points program to redeem for rewards. Weak response, section does not really address response requirement.
DRs not addressed #29 (provide uniforms for events) #36 (maintain & track promotional equipment inventory) Meets all requirements for equipment. Addressed all promotional event requirements. Referred to use of MOSAK to develop creative promotional events, but recommended existing promotion types currently implemented in Texas (i.e. ask for the sale, second chance); ROI analysis (good)
Staff is Promotions Manager, 2 Promotions Coordinators and 3 Promotions Assistants; Social and Interactive Media Coordinators will be responsible for developing promotions for social websites and internet; all promotions staff will be trained and certified.
Good response. Playstations-multiple options which include new concept playstation that has a mount for ticket checker and LCD monitor for multi-media; instant ticket dispensers-current style used; Neon sign with scrolling LED; Carmanah LED two-game jackpot signs; 17" LCD flat panel.
Updates from terminal through wireless receiver to accept messages from terminal; encrypted data
Outlined research and game development process; Game Optimizer game evaluation system; real-time game testing through PreVu research; no significant discussion on corporate approach to developing and researching new games to be brought to jurisdictions.
Uses Nielson Claritas Suites: A Demographic Analysis, Consumer Point, and Prime Location for geo-demographic and psychographic sales forecasts.
Research Director-Chitra Thanksaswamy (3 years market research with Dell), Chief Marketing Officer-Patricia Koop; Deputy Chief Marketing Officer-Karen Porter, Director of Marketing (clarification deleted this position); Online Product Manager; Instant Product Manager; Promotions Coordinator/Assistants; Social Media Coordinator; Interactive Media Coordinator; NuStatus, Inc; Crestwood Assoc; Independent Lottery Research; proposal states corporate support but does not identify corporate staff that perform this function.
Research Director and one Research Analyst to administer market research functions and one to coordinate and execute research with Nielson Claritas
Predictive ordering through LOTOS IntraSell (using sales averages, packs sold, inventory on hand, in transit and returned); orders received and shipped same day for next day delivery
Automated sorter; new games staged in separate part of warehouse and in distinctive colored bags
DRs not addressed #10 (load ticket files with in 3 days), #15 (delete game files), #16 (package games for destruction) Staff is Director, John Hadley, Distribution Operation Manager, 3 Supply Inventory, 20 Packing/Shipping, 4 Receiving>Returns

Round 2: Technical Scoring		RFP Reference	Maximum Available Points	INTRALOT
2.3.4.4	Plan for processing and shipping all ticket orders, including on weekends, holidays, and other times based on ticket ordering activity, delivery to Retailers in geographically remote areas, and under special circumstances as required by the Texas Lottery.	9.3	36	Distribution plans built around holidays, special events and peak sales periods to ensure adequate supply of consumables and ticket stock; CSRs proactively work with retailers to place orders; will work on holiday/weekends as required; Lonestar Overnight delivery, backup is FST/LSR network and UPS/Fed-Ex
2.3.4.5	Process (including security features) to be used to document the delivery of tickets and obtaining proof of signed delivery receipts from individual Retailers.	9.3	22	Online tracking through Lodestar Overnight system; tickets delivered by LSRs will get a signed receipt and documentation retained on IGMS
2.3.4.6	Procedures and materials used to package Instant Tickets for delivery to Retailers, which includes the process used to prevent Instant Ticket Manufacturer omitted packs or other defective packs from being shipped to Retailers.	9.3	10	DR not addressed #12 (marketing pieces inserted w/shipping) Auto sorter filters out omitted packs based on game file data retained in LOTOS system as they are passing through sorter; warehouse staff visually inspects all packs in an order while packing
2.3.4.7	Methods, procedures, hardware and software used to monitor inventory and ensure optimum inventory levels are maintained at each Retailer location.	9.3	36	Tools to monitor inventory levels include: IGMS and IntraSell (predictive ordering); CSR bi-weekly review; LSR during weekly visits; tracking for best selling games.
Warehouse Instant Ticket Return Verification			52	
2.3.4.8	Process and procedure (including security features) used to document and store partial packs of Instant Tickets returned from Retailers, which includes the tracking system that will be used to follow the packs returned to the warehouse.	9.3.1	26	DR not addressed #9 (manual returns) #10 (full pack returns) #11 (partial pack returns) #16 (damage to packs) Pack status tracked through IGMS as custody moves from retailer to LSR to district warehouse to central distribution warehouse
2.3.4.9	Procedures for locating Instant Tickets that are in a "Hold," "Lost Warehouse," "Lost Retailer," or "In Transit" status longer than the permitted time limit.	9.3.1	26	DR not addressed #12 (Hold) #13 (Lost Warehouse) #14 (Lost Retailer) #15 (Intransit) Intralot would investigate any ticket with a status of intransit for more than 5 days and will investigate any ticket that enters a status that its location is unknown.
Stolen and Damaged Instant Ticket Reporting			52	
2.3.4.10	Damaged or stolen tickets processing.	9.3.2	52	Call center to take stolen ticket reports 24/7/365; TLC notified of any tickets damaged or stolen; damaged tickets maintained in secure area for inspection; call center will enter notes in IGMS of each book number identified as damaged or stolen and will notify CSR of need to reorder/replace tickets
Ticket and On-Line Ticket Stock Destruction			42	
2.3.4.11	Security process and/or procedures for the destruction of tickets, On-Line Ticket stock and other materials.	9.4	42	Tickets stored in secure area until destruction; Intralot to purchase shredder or contract for shredding services; all destruction to be done under supervision of TLC security staff.
Promotional Item and Point of Sale (POS) Verification and Receiving			52	
2.3.4.13	Receipt of promotional items and POS, which includes how and where the items will be received, stored and distributed to meet Texas Lottery requirements.	9.5	26	Items stored at central distribution warehouse based on mutually agreed upon procedures
2.3.4.14	Process for the verification, receiving and ongoing inventory of promotional items and POS materials.	9.5	26	LOTOS Premium Inventory System application used to track all promotional items and other supplies; chain of custody for promotional items will be handled like instant tickets.
Promotional Merchandise Inventory			52	
2.3.4.15	Process for handling an ongoing inventory of Texas Lottery promotional merchandise.	9.6	52	Merchandise distributed to regional offices for use as approved by TLC. Inventory movements will be tracked in LOTOS Premium Inventory System including unused merchandise returned to central distribution warehouse; system can interface financial system; thorough response.
Warehouse and Distribution General Requirements			52	

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.3.4.16	Process utilized to accomplish ticket order processing and packing at the Central Distribution Warehouse.	9.7	26
2.3.4.17	Process utilized to prevent the theft of returned Instant Tickets and rolls of On-Line Ticket stock being returned to and stored at the Central Distribution Warehouse.	9.7	26
2.3.5	CONVERSION		260
	Integration and Testing		52
2.3.5.4	Integration and testing process, which includes the test plan and acceptance criteria.	10.2	26
2.3.5.7	Lottery Gaming System backup, recovery, failover process and test Plan.	10.2	26
	Implementation and Migration		52
2.3.5.8	Implementation and migration strategy and processes.	10.3	52
	Conversion Plan and General Requirements		104
2.3.5.9	High level conversion plan, which includes the project management process, the structure and content of process documentation, an information sharing and communication plan, expected participation from Texas Lottery and the level and duration of involvement from the current vendor.	10.1 and 10.4	62
2.3.5.11	Project Management methodology for the transition, which includes at a minimum: a) Project Management; b) Business Change Management; c) Issue Management; d) Risk Management and Mitigation; and e) Transition Reporting (Type and Frequency).	10.4	10
2.3.5.12	Initial distribution plan for Instant Tickets, On-Line Ticket stock, Retailer Terminals and associated system sales equipment, Point-of-Sale materials, On-Line play slips, promotional merchandise, playstations, signage and other materials, as required. Quality control procedures included in the plan.	10.4	16
2.3.5.13	Validation of winning tickets sold prior to the conversion.	10.4	16
	Conversion Milestones		26
2.3.5.14	Conversion plan and time chart identifying the major milestones to be accomplished for the construction, equipment delivery, software programming, installation, testing, user training, data conversion, and documentation of the proposed System.	10.5	26

INTRALOT
DR #9 (partial-does not address report delivery requirement of 2 days from 8/31) #10 not addressed (assist with inventory verification by auditors) IGMS orders processed immediately to warehouse; all orders received in warehouse by 4:30 will be shipped that day for next day delivery; auto sorting of inventory to packers that inspect and pack order; manifest and shipping label generated automatically.
All returned packs are scanned and tracked through IGMS as custody moves from retailer to LSR to district warehouse to central distribution warehouse; all boxes sealed with distinctive security tape at district warehouse and shipped weekly to central distribution warehouse
DR not addressed #36 (security controls & encryption techniques) #37 (only addressed interface with ICS) With exception of items noted above, fully addressed.
Limited information provided on page 34 describing backup, recovery and failover plan
Extensive experience performing Perfect Switch conversions. Perfect Switch-phased approach where communication and terminal is installed in pilot testing mode; conversion day all components go-live; requires two terminals at retail location; self service equipment not installed until after go-live (direct impact on sales)
Fully addressed. Detailed conversion plan, major areas include: project planning, design/development, site equipment acquisition and installation, communications, documentation, marketing, training, terminal deployment, testing and parallel testing; 8 project managers (Bruce Anderson only PMP); system configuration engineers located in Athens.
Meets all requirements; thoroughly addressed.
Network communication equipment and terminals delivered first; consumables and POS (to include play slips, online ticket stock, playstation and signage) delivered with terminals; Retailers with limited counter space will be scheduled for the last terminal installations before go-live; instant ticket inventory-one months supply of active games needs to be transferred to Intralot warehouse for distribution at go-live date.
Winning tickets that were sold prior to conversion will be validated on system in same manner as winning tickets sold after conversion, either by scanning the barcode or manual entry of the winning ticket serial number into the terminal.
Clarification-confirmed can meet the implementation date of 9/1/11.

Vendor: INTRALOT

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
	Conversion Plan		26
2.3.5.15	Processes and factors related to End of Contract Conversion, which includes knowledge transfer to the Texas Lottery or Replacement Provider, risk management and mitigation, exit reporting, handover procedures, license transfers, etc.	10.6	26

Total Points

INTRALOT	
Meets all requirements.	

2.4 Experience. The experience of the Proposer in providing the			550
2.4.1	Past 10 years of experience providing the services as specified in the RFP for engagements of comparable complexity and scale.	4.2.1 and 4.2.4	275
2.4.2	Previous lottery experience or other relevant experience providing similar services as specified in the RFP to governmental or private entities.	4.2.2 and 4.2.4	165
2.4.3	Previous experience in transition activities between vendors when providing similar services, in scope and size, as specified in the RFP.	4.2.3 and 4.2.4	110

Total Points

North American experience include Nebraska (online only) 1,150 devices; Montana 750 devices; Idaho 1,250 devices ; New Mexico 1,400 devices; South Carolina 3,800 devices; Arkansas 2,500 devices; Ohio 14700 devices Louisiana 2,800 devices; New Hampshire 1,400 devices; Vermont 750 devices. No sales force experience identified.
19 years experience, presence in 50 countries. No sales force identified.
19 transitions since 2003; 12 from GTECH, 5 from SGI, and 2 new

TECHNICAL SCORING SUMMARY

Past Performance. The quality of the Proposer's past	550
Personnel. The qualifications of the Proposer's personnel.	800
Quality. The probable quality of the offered goods or services.	2,600
Experience. The experience of the Proposer in providing the	550
Total Possible Points	4,500

COST SCORING SUMMARY

The following formula will be used in scoring cost proposals:

Total Possible Points

500

TOTAL POINTS AWARDED