

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

Vendor Name: SGI
Evaluator Name: Robert Tirloni

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

Passed all Battelle benchmark tests.

The RFP references are intended as a guide for Proposers in preparing responses to this RFP, but do not limit the Texas Lottery's review of any Proposal in evaluating responsiveness to the RFP requirements and selecting a Proposer whose solution provides the best value to the agency.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.1	Past Performance. <i>The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.</i>		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			

Awarded Points	Evaluator Notes
440	No contract terminations. Positive past performance as Instant Ticket Manufacturer for the TLC.
80	Reference checks -- minor issues noted. Comments made at site visit about Texas not being that different from other customers/states -- unaware of unique environment/culture regarding gaming in Texas. Oral presentation was good, site visit to corp location & PA was detailed and informative with good mix of SME's present except for Sales/Mkt. staff. Committee had no real exposure to core Texas based sales/mkt team except for Christian Ross. Good retailer visit in PA. TLC confirmed via phone that SGI does operate sales force in OK and DE -- there was no discussion about this in the actual proposal -- very concerning that SGI did not address their experience providing sales operation services in detail in the proposal or during oral/site visits as this is such a crucial part of being the lottery operator in Texas.
520	

2.2	Personnel. <i>The qualifications of the Proposer's personnel.</i>		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
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

135	Osenenko --19 years of lottery experience-- includes SGI's expansion in China, GM of FL lottery. Douglas -- Dep. Dir Technology -- 23 years lottery experience, Molica -- Dep Dir Sales/Mkt. -- 25 years lottery experience includes ED of CA and WA. Ross -- Dep. Dir. of Inst Tkt Services -- 28 years of lottery experience. Comments made at site visit about Texas not being that different from other customers/states -- not aware of Texas environment/culture. Limited exposure to Molica and Ross during corporate and site visits. Beason -- executive sponsor for the TLC bid -- 25 years experience -- very detailed, could answer any questions posed. Kennedy -- over 25 years experience -- very knowledgeable.
80	Douglas, Skibel -- Ops. Mgr. -- 12 years lottery experience, Allen Ross -- Comm. Mgr. -- 9 years of lottery experience -- self employed, Ng -- Soft Dvlpt Mgr. -- 15 years of lottery experience.
80	Donna Marshall -- no lottery experience. Does not currently work for SGI -- DIR. Dan Gholson -- Tech Srvc Mgr. -- 17 years lottery experience -- self employed. Kyle Tolkacevic -- Field Srvc Mgr. -- 22 years lottery experience.
110	Molica, Herndon -- New Bus Dvlpt Director -- 5 years lottery exp. Christian Ross -- 17 years of lottery exp. Kelly Douglas -- 11 years of lottery experience. Miguel -- Promotions Mgr. -- 23 years of exp. Brooke Greene -- Retail Exec. Mgr. -- 2 years of exp. Fedyniak -- Corporate Chain Acct. Mgr. -- 23 years of exp. Durbin -- Inst Prod Specialist -- 10 years. Dimmick -- On-Line Prod Specialist -- 21 years. BJ Nugent -- Inside Sales Mgr. -- five years lottery experience. Garrett -- Research Assoc. -- 2 years exp. Id'd all 10 district sales mgrs. -- all except one have lottery experience -- positive that DSM's were id'd. No real exposure to Texas Sales/Mkt team except for Christian Ross.

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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			

Awarded Points	Evaluator Notes
80	Scott Ross, Jeremy Swanson -- 6 years lottery experience. BJ Nugent 5 years experience.
120	Dan Grace -- Proj Director-- 10 years of experience, PMP certified. Cory Bonogofsky -- Sr. Proj Mgr. -- 6 years lottery exp, PM Pcertified. Cherie Peyton -- Sr. Proj. Implement. Mgr. -- Whsing and Distrib -- 6 years exp. Adam Cormany -- Gaming System Architect -- 15 years experience. Cormany 15 years, Bever 8 years, O'Connell 9 years, Doling 9 years, Deaton 5 years, Pack 25 years, Corrette 14 years, Merrell 7 years, Hosonitz --Training -- 7 years, Badger -- Sales and Mkt Transition -- 12 years of lottery exp. Todd Hopkins -- 25 year of experience.
100	Good proposed staffing schedule/timeline for hiring/bringing aboard staff. DSM's on board 4 mos in advance of go-live. Transitional incentive plan to recruit GT employees is positive. SGI made no changes to the existing GT sales district organization.
705	

2.3	Quality. <i>The probable quality of the offered goods or services.</i>		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
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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

46	Provide incentive programs in sync w/ the serv level requirements and cust serv levels. Transitional Incentive Plan -- for transferring GT employees. Perf. Incentive Plan -- incentive compensation based on performance and operations excellence -- motivate/reward SGI employees for achievement of annual objectives. -- SGI Monthly Compliance and Service Level Report. Texas triage team, Problem Mgmt. Team, Larry Potts -- Chief Compliance Officer. Very detailed response in this section.
15	10 district offices/warehouses. -- negative-- does not seem like enough locations. Texas National Service Ctr. -- NRC -- conflict throughout proposal about this, Terminal Maint. Ctr. and System Delivery Center. Clarification states that the NRC in will move to Texas. References to ticket destruction in this section -- concern raised about proposal to destroy tkts in
27	SGI -- designed preliminary business continuity plans for TX. Has Resumption Strategies for major business functions pg 6.7-7 and a Global Business Continuity Play to ensure the continuation of revenue for all customers. Tkts can be shipped from Call Ctr -- conflict here -- proposal states that in-bound tel sales calls will re-route to NRC where operators can handle Texas calls -- as noted in clarification, NRC is in Texas.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points	Awarded Points	Evaluator Notes
2.3.1.4	Training activities which includes training on Lottery Gaming System, various retailer training requirements and LSR training.	6.8	32		Educational Servcs. Dept.-- has in-house logistical experts -- experienced in large scale roll outs - includes event planners, retailer communication specialists and Retailer Care Specialists. Project Mgr.'s -- work with instructional designers and tech writers who develop, document and deliver training programs. Educ. Svcs. Mgr -- point of contact for the TLC regarding training of retailers prior to conversion. 2 Training Specialists -- for corp accounts and for TLC employees. Trained over 17,000 attendees as part of the system conversion in PA. China -- trained 17,000 sales reps. All employees who interact w/ retailer will be cert. as a Retailer Care Specialist. TLC staff, FST's, LSR's -- become cert. Ret. Care Specialists. Retailer training sites w/in a 55 mile radius to limit driving distance -- long distance. Good retailer communication strategies. Terminal training mode. SGI has a proprietary sched application to support call campaigns. Corp.Acct. focus -- work w/ corps. to develop on-going, integrated TLC training into the corp acct.'s new employee orientation. Training presentation at site visit.
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2.3.2	LOTTERY GAMING SYSTEM		780		
	On-Line Games		47		
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		Over last 6 yrs, SGI customers deployed 117 new games, game changes, enhancements, short term promo games i.e raffle. Game chart includes PB matrix changes, raffle games, Mega Millions/PB cross sell-- includes 4 Key phases of game development process -- Evaluation, Creation, Research, Recommendation. In-state on-line product specialist to work with TLC and the SGI Research Associate.
		CONFIDENTIALITY CLAIMED NOT RELEASED \$552.110			
2.3.2.2	On-Line game controls which includes development and monitoring of On-Line game control features.	7.2.2	12	21	
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	12	Meets all.
	Instant Ticket Game Management		47	14	Meets all.
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		High volume instant ticket inventory and transaction mgmt operations in China - 3 billion tkts sold/year, Italy, FL-- \$2 billion annual instant sales and PA -- \$1.74 billion annual instant sales. Pack status changes are Detailed response to this section. 7.3 Instant Ticket Game Management DR 11 Response notes the restore to a system
				42	
	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	37	Meets all requirements.
	Retailer Management		47	10	Meets all.

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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
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
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
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
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
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

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Awarded Points	Evaluator Notes
28	Meets requirements but a very lean section for such an important function for the TLC. No screen shots. Retailer Corner -- retailer licensing support -- OK example.
14	
38	Lottery In-Site allows for transaction look-up and printing -- useful for researching security concerns and retailer requests. is running in 13 domestic jurisdictions. is flexible -- will not mandate extensive coding--reducing the implementation time for new games and other lottery requests. Lottery UAT SGI test system -- -- allows SGI to tst operational issues and software releases w/o impeding UAT efforts. -- system health monitoring. uses activity reports to
17	Can implement diff types of promotions concurrently in diff parts of the state with diff levels of intensity. Simultaneous promotions on the same game for clerk and player and more than one promo at a time on the same game w/ same trigger. Concern re: at site visit -- skilled user to set-up promotion --entered using code -- reference page 7.6-52.
33	Very detailed section.
8	Adheres to System Development Life Cycle. Establish a Change Advisory Board -- the TLC will jointly participate in CAB meetings. NASPL QA best practices -- set of practices addressing Quality Assurance of Prod. Dvlpt. In the Lottery Industry. Detailed -- meets requirements.
35	SGI believes in strong facility controls and employee awareness. Security plan safeguards -- safeguards that ensure that a user is valid and authorized to use system tools. security components -- table on pg. 7.8-12. Detailed section. Meets requirements.
33	Real-time data transfer process -- often long before game draw or end-of-day. SGI has worked with all major ICS suppliers. 7.10 ICS System and Vendor Requirements RR 3 EFT process not addressed.
47	Using TLC will have immed. Access to a library of standard reports, including sales records, retailer data, term maintenance data and daily transactions. Reports can be sched for auto generation or created as needed. -- reporting platform -- includes Report Builder -- new ad hoc reporting tool -- TLC employees can create personalized reports.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
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
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
2.3.2.19	Functionality or capability of all online devices to interact with the back office systems of Retailers.	7.12	19
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
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

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Awarded Points	Evaluator Notes
40	provides multiple levels of secure access including access for Management System -- Lottery In Motion. Suggests segregating data into consistent screen regions -- active media, message info., jackpot info & customer transaction summary. Supports portrait or landscape layout. Set up broadcast groups, send emergency mssgs. Experience in CT is noted. Collaborative management process for SGI and TLC to manage a effective digital content mgmt system -- table on 7.11-19 suggests responsibilities for both SGI staff and TLC staff. Retailer Corner -- retailers including key, corp and chain accts can acquire statements for themselves or constituent retailers through dedicated site. Addressed interaction with back-office systems of retailers -- interface will be similar to the WAVE can be connected to store's cash register system.
30	WAVE -- 33,000 installed. bar code reader attaches to front of printer. Printer integration plate -- connects the printer to the terminal. Smart card reader -- can read pre-paid gift cards and VIP cards. WAVE screen shots show on-line games being separated between two different pages -- at site visit SGI confirmed they could all be on one page if TLC requested. SGI offering 17,500 WAVE as the mid-range is not available. Initial pilot of is not until the Spring. Very negative. PlayCentral -- provide for an average of 20 bins per machine. Add'l four dispenser drawers can be purchased by TLC. No LCD monitor included. No push buttons -- instant game selection screen -- very negative and risky in terms of sales for TX deployment based on self service sales history utilizing touch screen technology. Retailers can choose btwn 19" or 22" flat panel LCD. iPhone app. 7.12 Sales Terminals & Related System Sales Equip. DR 7 Mid-range terminal not available until 3rd Q 2011.
5	Terminals able to print UPC code on on-line game tickets. UPC can be scanned @ retailer's POS before giving to player. No discussion of interaction with back office systems of retailers.
14	Will provide all req'd training materials. Full training mode is available on the WAVE.
12	Retailer Care Center -- retailer care specialists -- dedicated retailer focused team -- responsible for technology -- suite of tools to address all retailer and lottery reported issues.
12	-- service history recorded, PM program -- performed on a sales based schedule, Field Service Program -- quality service through sched and unsched visits, Maintenance Data --service related issues Service Max training program. FST's are certified as trainers. PM plan -- platinum -- every 90 days, gold -- every 180 days, bronze -- 1x a year. Four or more serv calls for any reason in a consec 90 day period. Once on chronic list, Cust Care Reps will call the retailer weekly or as needed. Once on chronic list, assigned to Task Force that takes ownership until resolution -- provides weekly status updates to TLC. TLC has to agree to take them off the list.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
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

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Awarded Points	Evaluator Notes
12	FST's, 15 PAT techs Comm techs -- zones.
11	Monitoring tools described in section 7.6.1. I think SGI meant section 6 however, meets requirements.
	TRCC -- Texas Regional Call Ctr in Austin. 2 distinct call ctr organizations -- Hotline -- incident resolution and field dispatch services and inside sales -- tkt inventory and supply mgmt. NRC in -- clarification response states that the NRC will relocate to Texas National Service Ctr. Conflicting information-- organization not well thought out
50	LSR Chat and Customer Feedback program -- both very positive. Call broadcasting service--calls entire retailer base or subset to alert them of any incident that might impact lottery operations -- minimizes impact to service levels during peak times. Chronic discussed earlier -- assigns case to Task Force.
12	
40	
21	Interactive Voice Response system--trained ISR will review order prior to fulfillment. No mention of web or terminal ordering in this section.
47	Meets all. 100% of retailer base is protected through

Round 2: Technical Scoring				Awarded Points	Evaluator Notes
		RFP Reference	Maximum Available Points		
2.3.3.1	Route sales component to support Retailer locations.	8.2	18	5	SGI clarification provided. Very general response -- not much detail about supporting a route sales model.
2.3.3.2	Sales management staff responsible for identifying new selling and business development opportunities.	8.2	73	60	Molica -- Dep. Dir. Of Sales/Mkt., Herndon -- Dir. New Business Dvlpt., Fedyniak -- Corp Chain Acct Mgr, Corp. Acct. Division -- Not staffed--to be hired. Independent Accounts Mgr. -- to be hired. Kelly Douglas -- Dir of Sales + DSM's that are named/id'd. Corporate support -- Jeff Sinacori, VP Retail Dvlpt. No exposure to any of these staff members except Molica via phone. Question at site visit about how \$2.5 million in Texas Research & Development Investment Plan was not addressed well.
2.3.3.3	Marketing staff responsible for identifying new product and marketing strategies.	8.3	55	45	Molica -- Dep. Dir. Of Sales/Mkt., Christian Ross -- Dir of Marketing, Jason Durbin -- Instant Prod. Specialist, Liz Dimmick -- On-Line Prod. Specialist, Cameron Garrett -- Research Associate, Brooke Green -- Retail Execution Mgr. LMR's, Ron Miguel -- Promotions Manager. Other than Christian Ross, no exposure to the Texas mktng team which was very disappointing. Corporate support -- Pam Lee -- Sr. Regional Sales Dir., Leslie Badger -- Sr. Dir Lottery Product Marketing, Charles Boykin -- Game Designer, Jennifer Welshons -- VP Global Mktng, Kennedy -- Sr. VP Sales/Global Mktng -- Corporate Sponsor/customer advocate. Corporate staff is strong.
2.3.3.4	Sales and marketing organization structure to support and optimize Lottery sales.	8.2 and 8.3	36	26	LSR ideal ration is Would hire current LSR staff to continue their roles -- positive relationships with retailers. Field research -- retailer training, Hispanic language based programs and services and a more mktng centric approach to sales are the opportunities that presented themselves. Corp/Chain/Key Accts. Division with FTE's. Develop mktng programs and POS agreements w/ corps. Address their training needs. Create customized communication pieces i.e. monthly e newsletter, analyses/reports. Retailer Optimization Analysis -- determine the optimal mix of retailers by trade style and best fit for mkt. Evaluation of low sales retailers for discontinuation/retention -- never done in Texas. Analysis would also determine lottery locations for self service deployment. \$2.5 million TX Research&Development Investment Plan -- not very good response when asked about this at site visit. -- sales information system. -- for LSR's to allow for more time in the field. Annual Sales Meeting. Retailer Forums -- morning and afternoon sessions -- regional meetings. Retailer Advisory Council -- elected body of retailer representatives -- ongoing guidance and recommendations as the voice of the retailer network. Recommendations by game type provided. Instants -- launch frequency/schedule -- 4 or 5 at a time. Provided 2 year product plan w/ approx 8 on-line game changes/enhancements, etc. Interesting analysis but very unrealistic to launch/communicate the benefits of that many changes in such a short amount of time especially with a limited ad budget. Licensed brand product portfolio for on-line and instant -- no licensing fees. Concern about LMR's and LSR's reporting structure. Very concerning that SGI did not address their experience providing sales operation services in detail in the proposal or during oral/site visits as this is such a crucial part of being the lottery operator in Texas.
Lottery Sales Representatives			136		

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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

Awarded Points	Evaluator Notes
60	Same GT districts. Recruited bilingual DSM's + will recruit LSR's and LMR's to have this capability. LSR training -- Sales Force -- trains LSR's and LMR's in retailer execution best practices. Sales Rep Forum -- share ideas, ask questions, offer advice -- conducted monthly by conf call and webinar. Trained LSR's in China -- over 17k. LSR's. Ratio = No time for staff meetings/POS pick up, etc. if staff is working 10 days and seeing retailers/day. Clarification letter provided add'l information about managing sales force in other jurisdictions -- OK, DE, PR yet there was no discussion about this in the actual proposal. Very concerning that SGI did not address their experience providing sales operation services in detail in the proposal or during oral/site visits as this is such a crucial part of being the lottery operator in Texas. Very lean response for such an important section.
15	CONFIDENTIALITY CLAIMED NOT RELEASED \$552.110
15	Bilingual LMR's, Geo Demographic software to determine if a retailer or group of retailers can improve their performance. High volume retailers -- high volume retailers may require more frequent visits -- DSM and LSR will work out a plan -- how? -- visits/day for days. Very lean response for such an important section.
25	-- rushed demonstration at site visit. Not very impressive -- currently do not have automated sales tool like this -- would have been beneficial to spend more time on this in proposal. Very detailed Hispanic consumer analysis included. Enhanced retailer training -- discussion about emailing w/ Lottery Operator through terminal -- not accurate information. Training would be a priority for SGI at every level -- LSR's, LMR's, FST's and Promo. staff -- positive.
25	LSR's Duties -- can create checklist on Sales mgmt can access which duties were completed and which were not. TLC can access as well. System of checks and balances btwn LMR's and LSR's at top performing retail locations. Concern raised about LMR/LSR reporting structure. Supervisor/Manager -- ride arounds. Performance reviews.
32	LMR's would be Spanish speaking -- better served Hispanic player based and retailer community. LMR's to visit the 3200, describe program and get retailers selected excited. LMR -- retailer will participate in retailer training and education, ask for the sale techniques, displaying multiple facings, proper POS signage and placement including exclusive signage -- No discussion about future -- what do LMR's do after they have effectively implemented this program with the top 20%.
30	LSR accesses WAVE and

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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
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

Awarded Points	Evaluator Notes
30	Same as above. Use WAVE terminal WAVE will issue a receipt. On-line tkt stock
40	Not much detail provided about field/LSR execution for this process.
46	Promo portfolio includes retailer incentive programs, retailer and player contests/promotions, web-enabled games and promos capable of extending the Texas Lottery's brand. SciPlay -- web based Player Registration and 2nd chance drawing modules. SGI vast promo library detailed in 7.6.3.2 implemented on _____ system. Can run multiple promos on mult games to support multi faceted promo program.
35	Marketing based incentive program -- accumulation of points translated to cash. Tiered commission increase -- higher increase in sales higher commission rate a retailer can earn on those sales. Flat commission, game specific incentives. No discussion of retailer cash incentive program that is in place in Texas.
35	SGI believes it is better to find an event or promotion that supports a product instead of a product that supports a promotion or an event. Believes that bilingual promo staff members would greatly contribute to success of annual promotions and events plans -- will explore opps to employ Hispanic speaking promotional staff. Will conduct a review of plans from previous years to look for opps and improvements. Input from regional sales staff will be solicited re local events. Alternate approaches -- Mega Wheel concept only alternative approach provided that is not extra cost. Not impressed with Mega Wheel concept. Very lean response here.
32	Promo Mgr. Ron Miguel -- responsible for coord chain and independent store events and promos w/ Corp Chain Acct Mgr, Independent Accts Mgr and sales/mkt staff. Will provide activity and ROI reports. 5 Promo Coordinators -- support a wide variety of special event activities to advertise and promote the sales of lottery products throughout Texas. Will prepare and maintain the displays, coordinate and track prize giveaways and participate in event itself. Coords will be chosen for their ability to be an ambassador for the TLC when interacting w/ players/retailers.
55	Meets all. Limited details and options discussion.
32	Meets all.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
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
		CONFIDENTIALITY CLAIMED NOT RELEASED §552.110	
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
	<i>New Instant Ticket Delivery and Storage</i>		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
		CONFIDENTIALITY CLAIMED NOT RELEASED §552.110	
Instant Ticket Delivery			104

Awarded Points	Evaluator Notes
	Product dvlpmt process is founded on four key phases or activities -- evaluation, creation, research and recommendation.
38	Will be provided to TLC per the request for sales data and trend analyses. Detailed discussion about Primary Research and how they would work with/assist TLC with research. Detailed response.
22	Use _____ to obtain and provide geo and psycho info. Meets requirements.
17	Cameron Garrett + Jason Durbin -- Instant Product Specialist and Liz Dimmick -- On-Line Prod. Specialist. Garrett -- 2 years of experience. Corp/non-dedicated -- Jennifer Welshons -- VP of Global Marketing, Ambika Jack -- Dir of Global Research. Leslie Badger, Pam Lee, Rhonda Gillen, Jeff Martineck, Bev Opie and Kyle Rogers.
15	Garrett -- only Texas based staff. Corporate support -- Christopher Allen -- Dir of Perf. Mktng, Jennifer Hunter -- Mktng Specialist Supv., Amanda Saferin -- Sales and Mktng Analyst, Eric Mitchell -- Sr. Dir of MIS.
46	Automated system is designed to manage, fulfill and store instant ticket orders automatically builds series of orders to ensure FIFO processing. Observed in PA.
34	
34	Orders placed simultaneously will be merged not duplicated. Scott Ross-- Dep. Dir, Instant Tkt Services - 29 yrs experience, Jeremy Swanson -- Whse Mgr. -- 6 years experience, BJ Nugent -- Inside Sales Mgr. -- 5 years experience. Training Plan -- whse employee training for system --2 weeks before go live.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
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
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
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
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
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
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
Stolen and Damaged Instant Ticket Reporting			52
2.3.4.10	Damaged or stolen tickets processing.	9.3.2	52
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
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
2.3.4.14	Process for the verification, receiving and ongoing inventory of promotional items and POS materials.	9.5	26
Promotional Merchandise Inventory			52

Awarded Points	Evaluator Notes
36	Will process and ship orders based on activity and special circumstances. Minimized by predictive ordering tool. Meets requirements.
22	tracking system. SGI will furnish any and all tracking and delivery info when requested.
10	Game files are loaded, Physical inspection prevents open, miswrapped, damaged packs from being shipped.
36	Experience operating inside sales, whsing/distribution programs for FL, Delaware, DC, PA, OK, AR, and Puerto Rico. Predictive Ordering, Phone Monitoring system -- for supervisors, remote monitoring -- for TLC, phone tracking, auto dial, pack status info., sales information, order history, call reports and courier tracking. ISR order screen is the basis of predictive ordering process. SciTrak knows how many tickets each retailer has on hand, how fast they are being sold and how long supply will last -- based on game's rate of sale at each individ retailer. Ticket orders -- calls from ISR/retailer call to ISR, LSR call to ISR, terminal orders, order pages on website, automated voice response system.
20	CONFIDENTIALITY CLAIMED NOT RELEASED \$552.110
26	
42	
30	Destruction to take place in _____ Can arrange schedule if Lottery Security needs to be present or can videotape as well. Roles and Responsibilities for this section illustrate that TLC travels to destruction site to witness destruction of items.
26	
21	Will use inventory mgmt system. much info. provided on how this will be accomplished.
	Not

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.3.4.15	Process for handling an ongoing inventory of Texas Lottery promotional merchandise.	9.6	52
Warehouse and Distribution General Requirements			52
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

Awarded Points	Evaluator Notes
42	System capable of tracking incoming and outgoing inventory by storage/distribution facility. Provided examples of Promotion Item Inventory Report -- not much detail provided on how this will be accomplished down to this level of detail --how are items being tracked down to the LSR/retailer level.
26	Automatic sorting system. Operational in PA and FL. Reduces frequency that packs must be handled and scanned to fulfill an order -- decreasing time required to pick and pack orders. Detailed description of order assembly procedures included.
21	Could have provided more info. pertaining to meeting/adhering to all MUSL requirements.
26	Provided overview, acceptance testing process and test plans. Detailed response.
26	Detailed response.
52	
62	Provided conversion plan/Gantt chart. Strong transition/project mgmt team. Very detailed.
10	Detailed response.
16	SGI will review the distribution and consumption rates of instant tkts, playslips and roll stock. Analysis will determine how much and when the inventory should be moved to the new SGI whse and distribution facility.

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
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
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			

Awarded Points	Evaluator Notes
16	Meets requirements.
26	Meets requirements.
26	Meets requirements.
2274	

Round 2: Technical Scoring		RFP Reference	Maximum Available Points
2.4	Experience. <i>The experience of the Proposer in providing the requested goods or services.</i>		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			

Awarded Points	Evaluator Notes
175	National lottery tkt sales system provider to the China Sports Lottery -- 50k terminals. Italy -- systems and tech infrastructure to support inst validations at over 50k retailers. PA -- lgst US customer -- 8700 WAVE deployments. Some sales force operation experience in DE, OK and PR. No detailed discussion about this experience in proposal but bullet points listed in clarification letter -- very concerning that SGI did not address their experience providing sales operation services in detail in the proposal or during oral/site visits as this is such a crucial part of being the lottery operator in Texas.
100	Contracts with 13 of the 45 US jurisdiction that operate on-line lotteries. PA is lgst US customer. Some sales force operation experience in DE, OK and PR. Over 40,000 WAVE terms deployed. No detailed discussion about this experience in proposal but bullet points listed in clarification letter. Some sales force operation experience in DE, OK and PR. No detailed discussion about this experience in proposal but bullet points listed in clarification letter -- very concerning that SGI did not address their experience providing sales operation services in detail in the proposal or during oral/site visits as this is such a crucial part of being the lottery operator in Texas.
110	Conversions from GT in US include Colorado, Maine, NH, VT, IA IN. From their own legacy systems, PA, MD, CT, IN -- in progress.
385	

TECHNICAL SCORING SUMMARY

Past Performance. <i>The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.</i>	550
Personnel. <i>The qualifications of the Proposer's personnel.</i>	800
Quality. <i>The probable quality of the offered goods or services.</i>	2,600
Experience. <i>The experience of the Proposer in providing the requested goods or services.</i>	550
Total Possible Points	4,500

COST SCORING SUMMARY

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.

Total Possible Points 500

TOTAL POINTS AWARDED

Total Possible Points 5,000