

Minnesota State Lottery



Request for Information

Lottery and Gaming Solutions and related Services

Date Posted: February 20, 2024

Written inquiries should be received not later than March 08, 2024
Responses must be received not later than April 05, 2024

Minnesota's Commitment to Diversity and Inclusion

The State of Minnesota and the Minnesota Lottery are committed to diversity and inclusion in its public procurement process. The goal is to ensure that those providing goods and services to the State are representative of our Minnesota communities and include businesses owned by minorities, women, veterans, and those with substantial physical disabilities. Creating broader opportunities for historically under-represented groups provides for additional options and greater competition in the marketplace, creates stronger relationships and engagement within our communities, and fosters economic development and equality.

To further this commitment, the Department of Administration operates a program for Minnesota-based small businesses owned by minorities, women, veterans, and those with substantial physical disabilities. For additional information on this program, or to determine eligibility, please call 651-296-2600 or go to the Office of Equity in Procurement website.

SPECIAL NOTICE: This is a request for information, not a request for proposal. It does not obligate the State of Minnesota to award a contract or complete the proposed program, and the State reserves the right to cancel this solicitation if it is considered in its best interest.

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1 General information

1.1 Introduction and Objectives

The purpose of this Request for Information (RFI) is for the **Minnesota State Lottery**, (hereinafter referred to as the "Lottery") to obtain information on lottery related solutions and services available or planned to be available in the near future, as specified herein. The target audiences of this RFI are select lottery and gaming industry suppliers of technology and related services only (gaming systems, gaming system components, digital solution providers, technology, and terminal suppliers).

This RFI is for information gathering purposes only, aimed at the Lottery gaining a solid understanding of the status of available technologies, services, and best-of-breed solutions relevant to the Lottery, as well as understanding various respondents' preferences concerning certain operational and commercial key areas.

Also, of particular interest are respondents' views on their expectations and projections for industry trends as well as future retailer and player interaction. The responses may also be used by the Lottery to support writing any requirements for a future RFP for products and services as deemed relevant.

Responses to the RFI will not be evaluated or scored in any way. Respondents to this RFI are advised that no cost proposals as such will be considered in the responses to this RFI, and pricing information should not be included unless specifically requested. However, the Lottery is concerned with whether certain requirements are generally cost effective. Generalized or relative discussions regarding cost are encouraged, but specific prices should not be included.

Based on the responses received, the Lottery may invite any respondent to provide further written clarification or an oral presentation on questions arising from the review.

All information provided and all activities by the respondent are on a voluntary basis and should be seen as an opportunity to share thoughts on best practice and offerings with the Lottery.

1.2 Sole Point of Contact

The sole point of contact with regard to all matters referred to herein and the only office authorized to clarify, modify, amend, alter or withdraw the specifications, terms, and conditions of this RFI is:

Pam Mogensen, Purchasing Manager
Minnesota State Lottery
2645 Long Lake Road
Roseville, MN 55113
E-Mail: pam.mogensen@mnlottery.com

All communications concerning this RFI must be addressed in writing to the above contact point. Please also register your interest in responding to this RFI via E-Mail with the point of contact.

1.3 RFI Response Format

As stated in Section 3 ("Respondent Information") of this RFI, all respondents should include background information about their company and address the related organizational topics.

IMPORTANT NOTE: Respondents are welcome to present their solutions also for individual topics only, for a combination of topics or for all of the topics of interest to the Lottery, since such specialized suppliers are expected to be the most qualified in their respective field. Sections 3, 4.4, 5 and 6 should be addressed by all respondents as relevant.

If a respondent is typically utilizing sub-contractors for delivering own solutions, those should be clearly identified as well for a better understanding.

Responses should be returned in a format consistent with the outline of this RFI prior to the deadline referenced in Section 1.4 (“Timing and Key Dates”) of this RFI.

The RFI response should be submitted electronically only in standard Microsoft Office Word/Excel and/or PDF format. It is the Lottery’s intention to obtain brief information satisfactory only to determine the Lottery’s interests as stated. ***If you intend to respond to this RFI, please email the Point of Contact listed in Section 1.2 above by April 1, 2024. The Point of Contact will respond with an upload link where you can upload documents directly to the Minnesota State Lottery.***

1.4 Timing and Key Dates

The following is the intended chronology with respect to this RFI process:

Event	Tentative due dates
1. RFI is issued to all interested parties	February 20, 2024
2. Deadline for receipt of written inquiries	March 08, 2024
3. Latest written responses to inquiries (as applicable)	March 15, 2024
4. RFI response Due Date	April 05, 2024 – 02:00 pm Central Time
5. Optional Presentations	Approximately the week of April 22, 2024

1.5 Complete and Accurate Information

Information provided in response to this RFI should be complete and accurate to the best of the respondent’s ability. Respondents should also clearly state their preference on questions raised by the Lottery herein and not refer to indifference.

1.6 Confidentiality

The Lottery will strive to keep material submitted in response to this RFI confidential and respondent’s information will not be publicly disclosed unless otherwise required by law. Respondents are however advised that information received in the RFI may be used in the development of the RFP (in a generalized, non-specific manner).

If a response includes any information that constitutes a trade secret, other proprietary information of the respondent, or that constitutes security-related information that cannot be disclosed without compromising the security interests of the respondent as defined by Minn. Stat. 13, such information must be clearly marked as “CONFIDENTIAL”. In the event trade secret data are submitted, Responder must defend any action seeking release of data it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments awarded against the State in favor of the party requesting the data, and any and all costs connected with that defense.

An entire page or paragraph in which such information appears should not be marked “CONFIDENTIAL” unless the entire page or paragraph consists of such confidential information. Only the confidential portion(s) should be so identified and marked.

1.7 Liability

Nothing in this RFI shall be interpreted as obligating the Lottery to enter any form of contractual or other relationship with any party, to obtain any products or services from any respondent or in any other way finally commit to carry out described activities. This document outlines the Lottery’s intentions, subject to further investigations and decisions at the Lottery’s sole discretion.

All liability and cost associated with responding to this RFI are the sole responsibility of each respondent. The Lottery assumes no responsibility for any cost or other liability of any respondent.

2 Lottery Background and Information

The Minnesota State Lottery was created in July 1989 pursuant to authority granted by the Minnesota Legislature. The Lottery is operated as a business enterprise within the framework of State laws and regulations.

The Lottery's mission is to "offer fun, innovative and secure games that provide responsible and ethical entertainment." This mission is performed with the utmost integrity to ensure public confidence in the Lottery.

The Minnesota Lottery exists to raise money for programs that positively impact the lives of Minnesotans. Further information on the Lottery, its Vision and Mission as well as current financial information can be found here: www.mnlottery.com

Details about the current Lottery statutes and rules can be found here: www.mnlottery.com/about-the-lottery/lottery-statutes-and-rules

2.1 Sales (Retail and Digital)

The Lottery currently contracts with approximately 3,000 retailers throughout the State to sell its lottery tickets. Lottery games provide both a competitive advantage and a revenue enhancement for Minnesota businesses. Of the total number of Lottery retailers, 69% are convenience stores, 12% are supermarket/grocery stores, 9% are liquor stores, and the remaining 11% are miscellaneous retailers. Convenience stores account for 80% of tickets sold and supermarkets/grocery stores account for 13% of tickets sold. All other categories contribute 7% of sales.

The Lottery has currently 556 Self-service machines, split into 456 Full-service vending machines (Gemini Ultra and Game Touch 28) as well as 100 Game Touch 20 Self-service vending machines, installed and operational.

Retailers are compensated by the Lottery with a commission of 5.5%-6% on sales and a 1.5% commission on ticket prizes redeemed at the store. In addition, retailers are eligible to receive additional compensation through incentive programs offered by the Lottery. Incentive programs include cash rewards of between \$500 to \$50,000 for selling a lotto game jackpot or a scratch ticket top prize.

The Lottery's digital channel is comprised of a mobile app (provided by mkodo/Pollard Digital Solutions, expected launch in q1/q2 2024) and the player portal, which is accessible via the Lottery's website. Both currently serve for informational purposes only and are based on a player account management solution (PAM), also provided by mkodo.

The Lottery Mobile app provides for a range of functionality and information, including digital play slip features (via QR or barcode), game information, payout information, available prizes, winning numbers, news, find next retailer, checking your ticket through scanning (win/non-winner, prize amount, how-to-claim information) of scratch and lotto games, second chance entries, responsible gaming information, push notifications, and more.

Additionally, Lottery Service Businesses operate in Minnesota pursuant to Minn. Stat. 299L.09 to provide courier-like services. The Lottery has no control or regulatory authority over Lottery Service Businesses.

2.2 Games

Lottery revenue is generated by sales of scratch games and lotto games that include: Pick 3®, North 5®, Progressive Print-N-Play®, Gopher 5®, Powerball®, Powerball® Power Play®, Mega Millions®, Mega Millions® Megaplier®, Lotto America®, Lotto America® All Star Bonus® and the Minnesota Millionaire Raffle® game. Respondents can visit the Lottery's website to see further details of the products offered.

Electronic instant tickets or play through ATM/at the pump are **not** permitted in Minnesota. The Lottery does not expect that the regulatory environment in Minnesota will drive any significant expansion of the

allowable quantity or type of games. However, sales of lotto games (Lotto, Powerball, in-state lottery games, etc.) by the Lottery are permissible through digital channels. To date, the Lottery has not decided to sell lotto games through digital channels but may do so in the future.

2.3 Technology

For its current lottery systems and related services, the Lottery has several contracts, supported by the respective vendor. These contracts deliver the current lottery operations, technology maintenance and support. The key vendor contract with IGT is however expiring in November 2026 and the Lottery wishes to ensure that it continues to operate on technology offering the highest levels of reliability and capability.

The digital services contract with mkodo currently expires in early 2027. The Lottery will have options to extend this contract (in which case, the new gaming system vendor will be required to integrate with mkodo) or procure new digital services.

For integrity purposes, an independent Internal Control System is in place (currently provided by Spectra Systems Corp.). The current ICS contract is coterminous with the IGT contract. A new ICS contract may be on the Lottery's roadmap as well.

To ensure that the Lottery is best equipped with modern and suitable technology and relevant service offerings from 2027 onwards, the Lottery is particularly interested in understanding the current offerings, levels, and processes of integration between the core gaming systems (for the retail world) with the digital environment (mobile, web) and have the player in focus (professional player account management). Therefore, all solutions for underlying digital and retail gaming systems, player account management, CRM solutions, terminals, digital content/instant win games, POS terminals and equipment, data warehouse, BI tools, etc.) are of specific interest to the Lottery.

In looking ahead, our market is changing. More and more different gaming and gambling options are available through different channels and offered by different market players. Also, our customers and players are evolving through the integral use of digital devices, digital payment solutions and other convenient means. Ecological and social responsibility is getting more and more traction in the US and becoming vital assets.

Consequently, the Lottery is exploring the options available for obtaining a lottery and gaming ecosystem, which is capable and ready for efficiently supporting the challenges and evolution ahead. The Lottery is also interested in identifying technologies, processes and concepts that may improve on the Lottery's current business performance and customer service.

2.3.1 Retailer communications network

The Lottery utilizes a variety of different communications methods based on geography and business requirements. These methods include VSAT Retailers (3,112), of those 1,194 are dual comms (VSAT & Ventus Cellular) as well as Ventus only Retailers: 939

It's worth mentioning that the current central gaming provider intends to transition from VSAT to an all-cellular network. Retailers with dual comms already in place with have two different cellular providers.

3 Respondent information

The Lottery is interested in gaining insight into new developments and offerings in the lottery and gaming industry, where it is expected that some of those new offerings will be from entities with whom the Lottery is not familiar. The Lottery therefore wishes to understand the characteristics of respondents in general terms. To that end, every topic in this section should be addressed in the RFI response. The Lottery may request further clarification of information provided in responses. The Lottery expects to review all information provided in detail. Please be considerate of our time by not including extraneous marketing materials. Please consider limiting your response to 150 pages.

3.1 Company Information

- a) Please provide information about your company, address, locations, etc. and your principal business
- b) Please provide a high-level list or table of all product(s) and/or service(s) being currently offered or are expected to be offered in the near future.
- c) Please also identify if such products and/or services are offered directly by the respondent or through partners / subcontractors.
- d) Please identify, where the products and/or services are being offered from (locations), in particular, whether those are based in North America or elsewhere (i.e., development hub in Europe or call center / support services from India for example).
- e) Please provide information on your organization's certifications, staff certifications (in general terms) and industry awards as may be relevant to our interests.
- f) Please provide brief information on your current corporate social responsibility as well as sustainability measures, eventual ESG reporting standards and targets, etc.

3.2 Current business

- a) The respondent should describe its main business activities, specifically highlighting any active or concluded projects that the respondent feels may be of interest to the Lottery given the scope and objectives described.

The Lottery anticipates that some respondents may have a limited business history but is interested in learning about the respondent's solutions and offerings. If your experience is limited, please explain why you remain a good choice for the Lottery.

3.3 Relevant Experience and References

- a) The respondent is invited to provide details of up to 5 relevant references in state lottery or other relevant gaming operations and support areas. These should include:
 - i. a brief description of the deliverables, products, services, or solutions provided,
 - ii. details of when and where this experience was obtained,
 - iii. "Go Live" dates and time in operation, and
 - iv. names, titles, roles, and contact details of references.

The Lottery reserves the right to contact references concerning referenced experience.

- b) Please provide information on your understanding, knowledge of and compliance with relevant Multi-State Lottery Association (MUSL) requirements, and/or State/Government IT standards, requirements, and regulations.

4 Technology and Services

Respondents are invited to provide an overview of their primary lottery and/or gaming related offerings under the respective areas in the following sections. Products that are in a planning, prototype or other commercially non-operational stage may be mentioned, but should clearly be identified as such.

Respondents, however, may choose which areas of the RFI they respond to and include additional relevant areas, if applicable, based on the services and products they offer. Areas or solutions not offered should be identified as “not offered”.

The Lottery anticipates that some or all of the respective respondent’s offerings may be in a commercially non-operational stage (e.g., Pilot stage) and but that the respondent wishes to make the Lottery aware of such offerings.

For each solution that the respondent provides details on, the respondent is invited to include a reference or example, where such solution is currently implemented (if applicable) and commercially operational.

The respondents are also encouraged to, in each relevant section, clearly describe what advantages their respective offering may have over any current products or services available in the marketplace.

4.1 Core Gaming System

Respondents should describe their offerings for the core gaming environment, i.e., managing retail/POS, physical instant tickets, logistics, retail financials, etc. Some of the points below could also be combined into integrated offerings.

- a) Retail Gaming System architecture (in detail), principles, scalability, and range of functionality
- b) Communication network options and/or restrictions for the data communications network between the host system and retail environments
- c) Sales force automation
- d) Sales management and support
- e) Retailer management and licensing support capabilities
- f) Digital retailer service platform (e.g., secure retailer portal via the Internet) and related functions
- g) Tools and/or processes for retailer invoicing and billing
- h) Ability to handle the physical instant ticket product line, including validations and inventory control options in the retail and warehouse space

4.1.1 Terminals and POS Equipment

Respondents should describe their offerings to address retail and other point of sales needs. Some of the points below could also be combined into integrated offerings.

- a) Concept for a modern retail / POS location (layout, stations, points of interaction, etc.) for 2027 and beyond
- b) Types of retail terminals to fit these coming retail needs
- c) Types of self-service stations, vending machines, and related offerings
- d) Multi-media interaction solutions and digital information boards
- e) Digitalization of the player process at retail (above and beyond current mobile app functions)
- f) Solutions to sell draw games and/or instant ticket games in the retail environment other than at the counter, such as in the check-out lanes, self-checkout lanes, etc.
- g) Payment options for players
- h) Ability to support cashless transactions at retailer counters (e.g., through digital wallets)?
- i) Retail equipment maintenance needs and technical service offerings
- j) Retail field support concepts and offerings
- k) In-lane selling solutions
- l) Other areas as desired by the respondent

4.2 Digital Gaming System

Respondents are invited to describe their offerings for the digital front-end environment, i.e. mobile apps, play through webpage and other digital channels. Some of the points below could also be combined into integrated offerings (as available)

- a) Digital gaming system solution for players to purchase and play lotto games (draw-based only) – architecture, components, scalability, and functionality
- b) Mobile app solution to purchase and play lottery games (draw-based lotto game play), administrative functions and integration capabilities; digital cashing of small winning tickets
- c) Description on ease of adaptation, customer journey adjustments along with information on Lottery self-service administration functions
- d) Mobile Application and web front-end security including fraud monitoring and analysis

4.3 Administrative and other Gaming related functionality

Respondents are invited to describe their offerings in the below areas. The Lottery is particularly interested in understanding the respondent's view and recommendation on how the various modules and components are intended to be integrated into a consolidated lottery technological ecosystem, supporting all sales channels and different types of user profiles (players, lottery management, staff, etc.).

The respondent is also invited to expand on views and a recommendation regarding the distribution of roles and responsibilities in the overall system integration.

- a) Player account management (PAM) solution, system, functionality and/or concept (as applicable). Integration of player account management across all channels (retail and digital).
 - i. Is it possible to see all play activity of a single registered person in one place (retail & digital)? How would such work in a multi-vendor environment?
 - ii. What process, tools, products and strategies enabling attractive and effective capture and digitalization of retail customers are you able to provide?
- b) Capability to integrate and interface with other third-party supplier solutions and third-party systems and sales channels (e.g. in-line sales, retail vs. digital, etc.)
- c) Customer relationship Management (CRM) functionality and/or integration with standard CRM tools; please consider the various sales channels and describe the range of standard functions available.
- d) Player and B2B (as applicable) customer service, claims management and support options, if separate from the CRM solution
- e) Marketing support, related services, promotions, gift cards, and reward (loyalty) options available for players. Please consider various sales channels.
- f) Data warehouse concepts, architecture, integration, update frequency. Please consider a combined need for all channels.
- g) Data analytics capabilities, suggested tools, integration process, and ability to provide information to Lottery staff and the retailers (as applicable), e.g., interface types, real-time options, etc.
- h) Reporting tools and concepts for lottery management and retailers (as applicable)
- i) Game types supported. The Lottery sells both in-state and MUSL draw games and physical scratch tickets. Respondents should include in their description if they support these game types currently offered and any other innovative game offerings/features. Please address the difference between game types for physical vs digital sales channels, as appropriate.
- j) ICS integration; Please elaborate your experience and the typical integration process.
- k) Payment solutions and payment provider integration
- l) Responsible gaming tools, features, and concepts. Please also address, how those can be integrated into player account services.
- m) Player identity and location verification
- n) What is your status of cloud technology use and what are your current levels of integration (e.g., data lakes, gaming engines, transaction systems, back-office, etc.)
- o) What is your status on IaaS, PaaS, SaaS concepts: What parts of the respondent's solution is or may use such services?
- p) Support of subscriptions; specify per game type and sales channel as applicable.
- q) Support of syndicates; specify per game type and sales channel as applicable.
- r) Other areas as desired by the respondent

4.4 Scope and ideal approach

The Lottery is interested in the respondent's opinion on various related matters for consideration of the options to be required in the coming RFP. Please respond to each of the following questions:

- a) Player Account Management
 - i. Should a gaming system vendor provide the player account management system as part of the gaming system contract?
 - ii. If so, what are the advantages?
 - iii. If not, who should provide such and why?
- b) Technology Stack
 - i. Do you recommend a "best of breed" technology stack (where multiple vendors integrate with a core gaming system vendor) or an integrated technology stack (where all/the majority is provided by a single vendor)?
 - ii. What are the benefits of each respective approach?
 - iii. How could a central gaming system accommodate each approach?
- c) Cloud
 - i. Do you recommend a cloud-based or on-premises central gaming system?
 - ii. What are the benefits of each approach?
 - iii. What supports your recommendation?
- d) Gaming Technology Environment
 - i. Having considered the Lottery's current situation and possibilities and provided the above offerings and outlook, how would you envisage and describe the ideal, most effective, and suitable gaming technology ecosystem for the Lottery from a systems and technological point of view covering core gaming platforms, retail, communication network, and digital channels?
 - ii. Please provide the reason why such is ideal for the Lottery.
 - iii. Should the Lottery have its own digital sales platform for lotto games inhouse (instead of having this being taken care of by a 3rd party like today)?
 - iv. Please also provide your reasoning, why you would recommend such.
- e) System-wide role-based security
 - i. What should be required in the core gaming system tender/contract to make sure there is a proper separation of duties and ability to restrict private data to only those with a business need?
 - ii. What should be required in a gaming system tender/contract for making role-based access and security easy for implementation and administration across multiple applications and systems (e.g. core gaming system, BI tools, CRM, PAM, call-center application, etc.). The objective is to ensure that management of logical access, data protection adherence, etc. are effectively implemented across the many applications and systems in place.
 - iii. To which extent does your offering (systems, applications, etc.) include Active Directory integration?
- f) Mobile App
 - i. What should be required in a gaming system tender/contract related to mobile app functionality?
 - ii. What solutions should a mobile app provide for players to make the overall experience better? This could be digital solutions for mobile use, but also in combination with retail.
- g) Respondents may describe other lottery-related services and products they currently offer that are considered to be innovative any may be of interest to the Lottery.

5 Process, Commercial and Contractual matters

The Lottery is interested in your views and opinions on various RFP process, commercial and contractual matters. Through this section, the Lottery also wishes to learn more about you as a potential vendor, your interest, experience, and your preferences.

5.1 RFP Process Considerations

The Lottery is interested in ensuring that RFP responses provide all necessary information, while at the same time looking to avoid being swamped with too much information.

- a) What would be your idea proposal size in terms of page range for a standard lottery gaming system solution as indicated herein.
- b) In what level of detail would you see the Lottery prescribing its requirements?
- c) How would you perceive a page limitation of e.g. 300 pages on the overall response or smaller individual limits on topic/section level?
- d) What are your concerns on an approach with such limitations?
- e) What is in your opinion the shortest reasonable response time to a lottery technology RFP?
- f) What requirements in other technology RFPs have you found prohibitive or “unnecessarily uncomfortable” when considering responding?
- g) What are the main risks the Lottery is facing in its future technology replacement? Commercial, technical, political, public, administrative, competition, legal?

5.2 Business and Operational Considerations

- a) Growth: The Lottery is currently focusing its business mainly on scratch tickets as well as lotto type games through its retail network, including self-service machines.
 - i. Based on our current business, sales, regulation, and your knowledge thereof, where would you see growth potential and by what means? Please provide your assessment of opportunities, potential improvements, and considerations for the Lottery (non-technology related).
- b) Marketing:
 - i. What role should a gaming vendor play in providing marketing expertise?
 - ii. What marketing services could or should be required in a gaming system tender/contract?
- c) Responsible Gaming:
 - i. What role does a gaming vendor play in encouraging responsible gaming?
 - ii. What should be required in a gaming system tender/contract to make sure sales activities are responsible?
 - iii. How would these responsible sales activities relate to or even interfere with a vendor %-of sales remuneration model?
- d) Cashless Transactions:
 - i. What should be required in a central gaming system tender/contract for cashless transactions?
 - ii. What are the benefits to the various cashless approaches?
 - iii. How should the tender/contract account for any cash transaction fees?
- e) Self-Checkout:
 - i. What should be required in a central gaming system tender/contract to encourage lottery sales as self-checkout grows in popularity?
- f) Ticket-by-ticket accounting:
 - i. Should the lottery offer ticket-by-ticket accounting and why?
 - ii. What should be required in a central gaming system tender/contract to accommodate ticket-by-ticket accounting?

- g) Temporary Sales Locations
 - i. How do you approach temporary sales locations?
 - ii. What should be required in a central gaming system tender/contract to accommodate temporary sales locations (technically, organizationally)?
- h) Operational process and efficiency
 - i. Please present any thoughts on how lotteries in general and the Lottery in particular can conduct their business in a more efficient, secure, attractive, and profitable manner in relation to the products and services the Lottery obtains or could obtain in the market.
 - ii. In terms of actual system operations, who should operate? The vendor or the Lottery?
 - iii. What responsibilities and tasks may be better assumed by the Lottery and not by the vendor?
 - iv. Should the Lottery retain any technical capability, and if so, what scope and what extent?
 - v. Considering a multi-vendor environment, should there be a responsibility for a main vendor ensuring integration across the affected platforms and why (or why not)?
 - vi. Should the Lottery request a "single point of contact" in its tender/contract regarding the overall technology ecosystem? Please also provide a reason for your response.

5.3 Preferred Business model

The Lottery is considering various contract types and delivery models. The Lottery also understands that most of the available vendors CAN and WILL do any chosen model by the Lottery, however, that is **not** the response sought.

Respondents are expected to describe:

- a) Remuneration model - how should a lottery pay for central gaming system services, considering maximizing competitiveness while enabling growth and innovation:
 - i. Is a commission or fixed fee the best arrangement? Other alternatives/preferences?
 - ii. If a commission, commission on what? Gross gaming revenue? Total Sales? Other?
 - iii. How should the lottery define gross gaming revenue contractually?
 - iv. Are bonuses helpful? Staggered remuneration?
 - v. Why is your recommended commercial arrangement the best choice for the lottery?
- b) Contract term:
 - i. Considering that contracts generally cannot exceed ten years (including extensions) in Minnesota, what is the ideal contract term?
 - ii. Considering your recommendation and the speed of technology advancement, is there room and/or a need for a hardware refresh?
 - iii. Why is your recommended contract term the best choice for the lottery?
- c) Service delivery:
 - i. Describe your service delivery process, in particular the views on service standards and processes, agreed arrangements and targets, change management, Incident and problem management, handling of new development needs/projects, etc.
 - ii. How should the contract handle service failures by using liquidated damages or service credits?
 - iii. How do you approach lost profits?
 - iv. How can service failures and corresponding damages or credits be auditable?
 - v. How can service failures and corresponding damages or credits be automated?

The Lottery anticipates that the response to this section may include commercial aspects, which is explicitly permitted to be described and marked as confidential.

6 Trends and Outlook

This section should offer respondents the opportunity to share its views on the future of the US lottery industry, maybe with a specific consideration of how the overall gaming industry is changing.

6.1 Industry Trends and Future Outlook

In today's fast-evolving world, technology implementations can hardly cope with the actual market and industry developments. The Lottery is interested in hearing respondents' views and concepts for addressing these challenges.

In particular, respondent's views on

- a) current industry trends in the market segment of the respondent. Where is it now and where is it going for the main product and solution verticals offered?
- b) the status of the US lottery and gaming industry in 5-10 years?
- c) its roadmap, timeline, and product pipeline. What developments are coming and should be considered by the Lottery?
- d) the integration of the digital and retail gaming world with a view on consumer needs and integration.
- e) the future retailer and player experience. How is this co-existing in the digital world (if at all)?
- f) the future B2C marketing communication; concepts and technologies.

The Lottery will use the information provided to determine the respondent's potential and ability to support the Lottery's future objectives, its innovative character and forward-thinking mind-set, while at the same time recognizing, that some of the information and thoughts provided may be speculative.