

# **MISSISSIPPI LOTTERY CORPORATION**

**REQUEST FOR PROPOSALS FOR ADVERTISING AND RELATED SERVICES**

**PROPOSAL SUBMISSION DEADLINE: AUGUST 22, 2019 (2:00 P.M. CST)**

**PROPOSAL DUE TO: MISSISSIPPI LOTTERY CORPORATION**

**DR. MICHAEL J. MCGREVEY, CHAIRMAN  
C/O REBECCA SANFORD  
BALCH & BINGHAM LLP  
188 E. CAPITOL STREET, SUITE 1400  
JACKSON, MS 39201**

**July 30, 2019**

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# **1. General Information Regarding the Request for Proposals (RFP) and Vendor's Proposal**

## **1.1 Terminology**

RESPONSE NOTE: None

Each numbered section and subsection in the Request for Proposals ("RFP") is immediately followed by an RFP standard compliance note as set forth below.

The following definitions apply for the note marked "Response Note":

**NONE**

The section or subsection does not require any response at all.

**ACCEPTANCE**

The section or subsection contains information the Vendor (as hereinafter defined) accepts as a condition of Proposal submittal. The Vendor shall indicate any deviations or non-acceptance.

**FULL**

The section or subsection requires the Vendor to provide a full and dedicated response, including all information required to allow the Lottery to judge the Vendor's compliance with the requirement.

## **1.2 Introduction**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Mississippi Lottery Corporation (hereinafter referred to as the "Lottery") is issuing this RFP to invite interested Vendors to submit proposals for advertising and related services to include media planning and buying services and creative advertising services for the Lottery. It is suggested Vendors read this RFP in its entirety to better understand the bid process, as well as the scope of services and capabilities the Lottery is seeking in a Vendor or Vendors and the requirements to which a Vendor must adhere. The information required to be submitted with a Proposal is outlined in Section 1.12.

A Vendor submitting a Proposal must have the capability to perform the functions as described in the Scope of Services found as Appendix B.

The Vendor selected as a result of this RFP must establish a fully functional office within 35 miles of Lottery headquarters located in Flowood, Mississippi, with account staff to be available for meetings within 90 minutes' notice (during regular business hours).

The Contract resulting from this RFP will be for a three (3) year period, unless sooner terminated, subject to the Corporation's sole option to exercise three (3) one (1) year extensions of the term of the Contract, which exercise by the Corporation may occur annually, in multiples of two (2) or three (3) years, or not at all.

Issuance of this RFP does not obligate the Lottery to select a Vendor and the Lottery reserves the right to cancel this RFP if it is considered in its best interest.

### 1.3 Lottery and RFP Objectives

RESPONSE NOTE: None

The Lottery’s objective for issuing this RFP and entering into a subsequent Contract is to have a qualified advertising agency assist the Lottery in its brand building and strategic marketing efforts. This RFP invites interested Vendors to submit qualifications to provide services as set forth in this RFP.

### 1.4 Glossary of Terms

RESPONSE NOTE: Mandatory Vendor Acceptance

In addition to terms defined elsewhere in this RFP, the following terms shall be ascribed the following meanings:

TERM	DEFINITION
Board	The Corporation’s Board of Directors.
Contract(s)	The written agreement resulting from the successful Proposal and subsequent negotiations which incorporates all elements set forth in Section 3.3 of this RFP.
Contractor(s)	The Successful Vendor or Vendors with whom the Lottery executes a Contract pursuant to this RFP. Once the Lottery and any Successful Vendor sign the Contract, the Successful Vendor becomes a Contractor.
Director(s)	Members of the Board of Directors of the Corporation.
Evaluation Committee	The committee selected by the Corporation to evaluate the Proposals.
Lottery Fiscal Year	The Lottery’s fiscal year begins July 1 and ends June 30.
Letter of Transmittal	A written notification from a Vendor to the Lottery accompanying each Proposal submission in response to the RFP published by the Lottery.
Lottery	The Mississippi Lottery Corporation.
Lottery President	The chief executive of the Lottery, or an employee authorized to act on behalf of the chief executive of the Lottery.
Lottery Headquarters	The Lottery’s main office currently located at 1080 River Oaks Drive, Flowood, Mississippi 39232.
Party, Parties	The Lottery and the Successful Vendor or Contractor, each being a Party and jointly being Parties.
Person	An individual, partnership, legal entity, business or enterprise, authorized to do business in the state of Mississippi.
Price Proposal	The segregated portion of the Proposal describing the compensation the Vendor desires as required by Section 5.
Proposal	All materials submitted by a Vendor in response to this RFP, together with all addenda, clarifications and demonstrations.

Responsible Vendor	A Vendor judged by the Lottery to have the capability in all respects to perform fully the Contract requirements and to have the integrity, security, reliability, and financial condition ensuring good faith performance.
Responsive Proposal	A Proposal that is timely and conforming in all material aspects to the stipulations of the RFP.
RFP	This Request for Proposal document, including any subsequent amendments, appendices and addenda.
State	The State of Mississippi.
Subcontractor	Person(s) to whom the Vendor entrusts a portion of the execution of the Contract.
Successful Vendor	The Vendor to whom the Lottery issues a notice of intent to award a Contract pursuant to this RFP, subject to further negotiation and Contract execution.
Vendor	Any entity wishing to respond or has responded to the RFP up to the point in time when the Lottery announces the Contract(s) award.
Website	The Corporation's official website, <a href="http://www.mslotteryhome.com">www.mslotteryhome.com</a> .

## 1.5 Schedule

RESPONSE NOTE: Mandatory Vendor Acceptance

The following are the milestones and significant dates for this RFP and Contract award. Specified dates with a time associated with them are CST.

<b>Event</b>	<b>Date</b>
RFP Publication	July 30, 2019
Vendors' Written Questions	August 7, 2019 at 5:00 p.m.
Lottery's Written Responses	August 14, 2019
Deadline for Submission of Proposals	August 22, 2019 at 2:00 p.m.
Commence Evaluation of Proposals	August 22, 2019
Proposals Evaluated	September 5, 2019
Apparent Successful Vendor Designated	September 10, 2019
Contract Executed	September 17, 2019
Assumes Responsibility under the Contract	Immediately after designation as Successful Vendor

## 1.6 Exclusive and Sole Point of Contact

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery's Proposal Coordinator identified below, acting on the Lottery's behalf, is the exclusive and sole point of contact with respect to all contractual matters relating to the procurement of the services described in this RFP.

All communications concerning this RFP including, but not limited to, submission of questions, requesting copies of amendments or answers and submission of a Proposal must be addressed only to the Proposal Coordinator at the address identified in this section.

Name: Carolyn Jones  
Title: Sr. Manager, Executive  
Office Phone: (601) 503-3027  
E-mail: [cjones.mslot.com](mailto:cjones.mslot.com)

Mail/Delivery Address: PO Box 321433

Flowood, MS 39232

### **1.7 Official RFP Website**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery's official procurement website with respect to this RFP is the Website. The Website is the only valid source of information concerning this procurement process. An electronic copy of the text of this RFP and general information are available on the Website. It is the responsibility of a Vendor to ensure they have received and taken into consideration all information provided on the Website.

### **1.8 Vendor Contact with the Lottery**

RESPONSE NOTE: Mandatory Vendor Acceptance

Upon RFP publication, the restrictions on Vendor communications described in this section are instituted to protect the integrity of the procurement process. Other than the Proposal Coordinator identified in Section 1.6, a Vendor and its agents shall not make unsolicited contact with any Lottery personnel or public officials of the State regarding the RFP. All communications (with the exception of the Proposal) concerning this procurement must be addressed in writing and submitted via e-mail to the Proposal Coordinator. A Vendor shall not represent themselves to Lottery staff or Lottery Retailers as having the endorsement of the Lottery. A Vendor who is currently doing business with the Lottery may continue to do so; however, any communication regarding the RFP, not otherwise explicitly permitted in the RFP, is prohibited. The Lottery may disqualify a Vendor for any attempted or actual violations of this section.

### **1.9 RFP Clarification Questions**

RESPONSE NOTE: Mandatory Vendor Acceptance

It is the responsibility of each Vendor to examine the entire RFP and seek clarification in writing. The RFP clarification procedure provides the only means by which a Vendor may request clarification of the RFP or additional information on the business, contractual, procedural and technical requirements of the procurement. The Lottery will conduct one (1) round of

clarifications to assure Vendors are clear on the RFP terms, conditions and requirements and Proposal evaluation processes. The Vendor should review Section 1.5 to determine the milestones and dates for submitting written questions.

**(a) Submission of RFP Clarification Questions**

RESPONSE NOTE: Mandatory Vendor Acceptance

Vendors must submit written questions regarding the RFP to the Proposal Coordinator identified in Section 1.6. Written questions relevant to the RFP must be submitted via email in PDF or Microsoft Word formats. An RFP clarification question from a Vendor must:

- Be written in generic (i.e., non-proprietary) terms in as much as all responses to inquiries will be available to all Vendors;
- Not contain price data; and
- Cite a specific RFP section number and title (if any).

SPECIAL NOTE: The Lottery reserves the right to reject a Vendor's Proposal for the Vendor's inclusion of pricing information in a clarification question.

**(b) Response to RFP Clarification Questions**

RESPONSE NOTE: None

The Lottery will attempt to respond to written questions by the dates specified in Section 1.5, although, dependent upon the number and nature of the questions received, it may need additional time. An electronic copy of all written questions, together with the Lottery's written responses, will be posted on the Lottery's website.

All questions and answers will be formalized as addenda to the RFP in accordance with Section 1.10.

**1.10 Addenda to the RFP**

RESPONSE NOTE: Vendor Acceptance

Addenda to the RFP will be issued and may include but are not limited to:

- Changes to the requirements of the RFP;
- Correction of defects or ambiguities in the RFP; and
- Changes to the date, place or time of critical milestones published in the RFP.

Addenda to the RFP will be clearly identified as such. Only modifications made as written and posted addenda to the RFP by the Proposal Coordinator and in accordance with Section 1.9 will be valid and applicable addenda to this RFP. All addenda to this RFP will be uniquely identified and posted to the Website. The Vendor is solely responsible for obtaining all relevant

information posted on the Website and, by responding to this RFP, will be considered to have obtained all such posted addenda.

### **1.11 Responsive Proposal Submission Criteria**

RESPONSE NOTE: Mandatory Vendor Acceptance

This section of the RFP contains the instructions for responding to the RFP and the requirements for information which must be included in the Vendor's Proposal. A Proposal submitted in response to this RFP is expected to provide the Lottery with the necessary information required by this RFP. A Proposal must be fully responsive to the requirements stated in this RFP.

Proposals must:

- Be submitted on standard size (8<sup>1</sup>/<sub>2</sub>"x 11") white paper.
- Allow a minimum of 20mm (3/4") margins on all sides.
- Use a font type no smaller than 11 point.
- Include numbering on all pages.
- Be clearly marked with the Vendor's name and address.
- Be specifically addressed to the Proposal Coordinator at the location provided in Section 1.12.1.
- Be sent to and received by the Proposal Coordinator (or authorized representative) by the time and date specified in Section 1.5.

Vendors must submit one (1) original of the Proposal. The original of each Proposal must be signed in ink by an officer or agent of the Vendor with authority to contractually bind the Vendor. In addition to the originals, Vendors must submit four (4) additional hard copies (i.e., paper) of the Proposal. In addition, one (1) copy of the original Proposal must be submitted on a SMALL PORTABLE STORAGE DEVICE using a Microsoft Word or PDF file and included with the "original" document only (not the additional copies). Please see Section 5 for additional instructions regarding the Pricing Proposal.

SPECIAL NOTE: Proposals transmitted via fax and e-mail transmissions will not be accepted.

Each Vendor will be required to submit case studies and samples of work. Each Vendor shall further make and submit a pricing proposal to the Lottery. The Lottery also may conduct a site visit of each Vendor. The Evaluation Committee will evaluate the Vendor's written case studies and samples of work, oral presentation and, as applicable, site visit. All technical scores from the Evaluation Committee will then be added to the pricing evaluation scores to yield the Finalist's total score for the RFP.

Proposal must include:

- a. Letter of Transmittal – see Section 1.13.
- b. Pricing - see Section 5
- c. Case Studies and Samples of Work– See Appendix G.

### **1.12 Proposal Submission**

**(a) Delivery Location and Process**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Proposal submission must be delivered to the following address no later than the date and time specified in Section 1.5:

Mississippi Lottery Corporation  
Attn: \_\_\_\_\_, Proposal Coordinator  
1080 River Oaks Drive  
Suite 204-B  
Flowood, MS 39232

SPECIAL NOTE: Proposals transmitted via fax and e-mail transmissions will not be accepted.

**(b) Late Proposals Submissions**

RESPONSE NOTE: Mandatory Vendor Acceptance

A Proposal submitted pursuant to this RFP must be submitted and received by the Proposal Coordinator no later than the published date and time specified in Section 1.5. The Lottery will record the official date and time of receipt on each Proposal. The Lottery will reject a Proposal not submitted by the specified date and time. The Lottery will return a late Proposal to the Vendor unopened.

**(c) Language**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Vendor must submit their Proposals in English. The Contract will be written in English.

**(d) Pricing Information**

RESPONSE NOTE: Vendor Acceptance

The Vendor must include only pricing information in the Price Proposal – Pricing information must not be referenced or identified in the Technical Proposal.

**1.13 Letters of Transmittal**

RESPONSE NOTE: Mandatory - Full

A Vendor submitting a Proposal in response to this RFP must submit a Letter of Transmittal. Each separate Letter of Transmittal must be signed by an officer or agent of the Vendor with authority to contractually bind the Vendor to the terms and offerings in the Proposal. Pricing information must not appear in any portion of any Letter of Transmittal. Each Letter of

Transmittal must include any requests for confidential treatment of information identified in Section 1.14 and a clear Vendor's statement of compliance, exceptions or reasons for non-compliances with the requirements of this RFP for the duration of the acceptance period identified in Section 1.23.

#### **1.14 Public Records and Request for Confidentiality**

RESPONSE NOTE: Mandatory Vendor Acceptance

All Proposal data, materials and documentation originated, prepared and submitted to the Corporation pursuant to this RFP shall belong exclusively to the Corporation. Unless required by applicable law, the Corporation will not release any Proposal data, materials and documentation originated, prepared and submitted to the Corporation pursuant to this RFP during the evaluation process or prior to an award of a Contract. After all Vendors have been notified of the award of a Contract, Vendors' Proposals will be available for public review, subject to the limitations of the Mississippi Public Records Act of 1983, *Miss. Code Ann.* §§ 25-61-1 *et seq.*, as amended, and the Corporation's Public Records Request Policy (the "**Open Records Laws**").

Vendors should properly and conspicuously identify any trade secrets or confidential commercial or financial information which are confidential information in accordance with the Open Record Laws (collectively, "**Confidential Information**") and in writing by page, paragraph and sentence prior to or upon submission to the Corporation of Confidential Information to be protected. It is the responsibility of the Vendors to identify all Confidential Information. All markings of identification must be conspicuous; use color, bold, underlining or some other method in order to conspicuously mark and distinguish the Confidential Information from the other text. If a portion of a Proposal is improperly marked as Confidential Information or similar designation, the Corporation may, in its sole discretion, determine it non-responsive. Vendors should not mark the entire page if only portions of a page are protected. Vendors should also state the reasons such confidentiality is necessary. However, under no circumstance will the Corporation be liable to any Vendor or to any other person or entity for any disclosure of any such Confidential Information, including any trade secrets contained therein. The Corporation will not consider any Proposal which is declared, or a substantial portion of which is declared, by the Vendor submitting such Proposal to constitute Confidential Information.

Vendors are hereby notified all meetings of the Board are subject to and shall be conducted pursuant to the Mississippi Open Meetings Act, *Miss. Code Ann.* §§ 25-41-1 *et seq.*, as amended.

#### **1.15 Right to Use Information in the Proposal**

RESPONSE NOTE: Mandatory Vendor Acceptance

Upon submission, all materials submitted to the Corporation by Vendors shall become the property of the Corporation and may be used as the Corporation deems appropriate.

#### **1.16 Incurred Costs Associated with the Proposal Submission**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Corporation shall not, under any circumstance, be liable or responsible for any costs, expenses, reimbursements or fees incurred by a Vendor (or any other individual or entity) in preparing and submitting a Proposal or in performing any other action in connection with this Procurement, including, without limitation, any site visits, negotiations, questions and answers, procurements or other activities of any kind or nature.

### **1.17 Proposal Content and Format**

RESPONSE NOTE: Mandatory Vendor Acceptance

A Proposal must be fully responsive to the requirements stated in this THIS RFP. Each Proposal must be submitted in the format described in Section 1.11.

### **1.18 Response to Technical and Price Requirements**

RESPONSE NOTE: Mandatory Vendor Acceptance

A Vendor must provide the Lottery with information, evidence, and documentation in a manner enabling the Lottery to award a Contract(s) best serving the objectives of the Lottery as stated in Section 2.2.2.

A Vendor must prepare its Proposal providing a straightforward and detailed description of their ability to satisfy the requirements of this RFP. Emphasis in each Proposal must be on completeness and clarity of content. The Technical Proposal must provide all of the information concerning the particular subject area that the Vendor believes would be helpful to the Lottery in determining its ability to meet the specifications or perform the requirements.

At a minimum, Proposals must be fully responsive to the requirements stated in this RFP. Proposals must be submitted in the format described in Section 1.11.

The Lottery reserves the right to award a lower evaluation score or reject a Proposal for failure by a Vendor to provide the appropriate information or materials in response to each stated requirement for information.

### **1.19 Multiple Proposals from a Single Vendor**

RESPONSE NOTE: Mandatory Vendor Acceptance

Each Vendor may submit only one (1) Proposal. Within the single Proposal, the Vendor shall submit a response for Media Planning and Buying Services and the Creative Advertising Services.

### **1.20 Proposal Clarification Process**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery may request clarification from a Vendor for the purpose of resolving ambiguities or questioning information presented in a Proposal. The Lottery may request written clarification of statements made by a Vendor in its Proposal at any point during the evaluation process.

The Vendor must send a response within the time indicated in the written request. If this proves to be unfeasible, the Lottery and the Vendor may agree on a different date for the Vendor to respond to the Lottery's request for clarification.

The Vendor's response:

- Must address only the information requested;
- Must be submitted to the Proposal Coordinator in writing via e-mail;
- May also be submitted to the Proposal Coordinator by mail, courier or hand-delivered as directed; and
- Must not include any pricing information unless the request for clarification explicitly requests it.

The Vendor must keep confidential all information exchanged as part of the Proposal clarification process.

The clarification process does not permit withdrawal, revision or additions to the technical elements of the Proposal after the Proposal has been submitted, nor does it permit any change to the financial terms quoted. A clarification request by the Lottery is not a negotiation.

### **1.21 Modification/Withdrawal of a Proposal**

RESPONSE NOTE: Mandatory Vendor Acceptance

A Vendor may modify or withdraw a Proposal when the request to modify or withdraw such Proposal is made in writing or e-mailed to the Proposal Coordinator and such notice is received prior to the deadline for submitting a Proposal specified in Section 1.5.

The Lottery will not consider verbal telephone requests to modify or withdraw a Proposal.

After the deadline for submitting a Proposal, the Vendor may not modify a Proposal except to the extent of a Vendor's response to a request for clarification pursuant to Section 1.20.

### **1.22 Acceptance Period**

RESPONSE NOTE: Mandatory Vendor Acceptance

Proposals must remain valid for six (6) months following the Deadline for Submission of Proposal identified in Section 1.5 (Schedule). The Lottery will reject a Vendor's Proposal that is not valid for the duration of the acceptance period. The Vendor will be strictly held to the terms in its Proposal. The contents of the RFP and the Vendor's Proposal, subject to contract

negotiations, will become contractual obligations in the event of Contract award. The Lottery may cancel a Contract award for failure of the Successful Vendor to accept these obligations.

### **1.23 Material/Non-Material Deviations**

RESPONSE NOTE: Mandatory Vendor Acceptance

A Vendor must submit a Proposal submission meeting all mandatory requirements of this RFP.

Material requirements of the RFP are those designated as MANDATORY in the areas marked as Response Note. The Lottery may reject as non-responsive any Proposal not meeting all material requirements of this RFP, failing to provide all required information, documents or materials or including language that is conditional or contrary to terms, conditions and requirements.

The Lottery reserves the sole right to determine whether a Proposal meets the material requirements of the RFP. Further, the Lottery reserves the right to waive mandatory requirements where it is deemed to be in the best interests of the Lottery.

The Lottery reserves the right to waive or permit cure of non-material deviations if in the judgment of the Lottery the best interests of the Lottery will be served. The Lottery's waiver or permitting cure of a non-material deviation will not excuse the proposing Vendor from full compliance with the Contract requirements, if such Contract is awarded.

### **1.24 Disqualification for Business Incapability**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Vendor must have financial and business stability and the wherewithal to perform and support the Lottery.

If, at any time prior to the signing of a Contract, the Lottery determines a Vendor does not possess adequate financial ability or requisite stability to carry out the obligations of the Contract, the Lottery reserves the right to disqualify that Vendor from further consideration.

If, at any time after Contract execution, the Lottery determines the Successful Vendor does not possess adequate financial ability or business stability to continue to carry out the obligations of the Contract, the Lottery reserves the right to terminate the Contract pursuant to Section 3.6.2 (Termination for Cause).

### **1.25 Effect of Submitting a Proposal**

RESPONSE NOTE: Mandatory Vendor Acceptance

The submission of a Proposal does not confer upon the Vendor any rights to the award of a Contract.

### **1.26 Rejection/Selection of Proposals**

RESPONSE NOTE: Mandatory Vendor Acceptance

The acceptance of a Proposal submission will not diminish the Lottery's right to negotiate specific Contract terms, including price, with the apparent Successful Vendor.

Issuance of the RFP in no way constitutes a commitment by the Lottery to award any Contract. The Lottery reserves the right to:

- Reject any or all Proposals received in response to this RFP if the Lottery determines that it is in the best interests of the Lottery to do so.
- Reject any Proposal which is conditional or incomplete.
- Continue the evaluation process and select the Proposal which offers the best value to the Lottery, even if all Vendors fail to meet one (1) or more of the mandatory requirements.
- Advertise for new Proposals.
- Abandon the solicitation of such requested products and/or services.
- Award in whole or in part a Contract deemed to be in the best interests of the Lottery.

### **1.27 Change of Ownership/Financial Condition**

RESPONSE NOTE: Mandatory Vendor Acceptance

If a Vendor (including the parent or holding company of the Vendor) experiences a material change in its ownership or financial condition after its Proposal has been submitted and prior to the execution of a Contract with the Successful Vendor, the Vendor must notify the Lottery's Proposal Coordinator in writing at the time the change occurs or is identified by the Vendor. The Lottery will disqualify any Proposal if a breach has a material impact on competition or otherwise prejudices the procurement process.

### **1.28 News Releases and Advertising**

RESPONSE NOTE: Mandatory Vendor Acceptance

Vendors will refrain from submitting any news releases pertaining to this RFP or the services, study, data or project to which the RFP relates.

By submitting a Proposal, the Vendor agrees not to use the Lottery's name, logos, images or any other data or information related to this procurement process, or the Contract resulting thereof, as a part of any press release or commercial advertising without prior written approval by the Lottery.

### **1.29 Dispute Procedures**

All claims and disputes, including but not limited to protests related to this RFP, the Procurement and the award of the Contract to the Successful Vendor shall be handled solely and exclusively under and in accordance with Section 17 of the Act and the Corporation's Dispute Resolution Procedures (the "Dispute Procedures"), as adopted and/or amended from time to time by the Corporation in accordance with the authority granted to it in the Act. The Dispute Procedures are automatically considered to be a part of the Regulations, Policies and Procedures of the

Corporation. All Vendors should read and be familiar with the Dispute Procedures which are available through a link on the Website. The Dispute Procedures include provisions governing the deadline for the filing of a Dispute Resolution Request. Any Vendor submitting a Proposal hereby expressly acknowledges and agrees: (a) the Dispute Procedures represent the exclusive procedure and the exclusive forum for binding resolution of all claims, disputes, complaints and Dispute Resolution Requests of any kind relating in any way to any RFP, Procurement, Contract, bid, offer, quote, proposal or agreement entered into by the Corporation; (b) it is estopped from objecting to any court, agency or other entity as to the Dispute Procedures being such sole and exclusive forum for binding resolution; and (c) it agrees to be completely, solely and irrevocably bound by such Dispute Procedures. In addition, each Vendor submitting a Proposal irrevocably waives any claim they might have had to protest or object to this RFP or its contents.

### **1.30 Hiring and Other Business Relationships with Lottery Staff**

RESPONSE NOTE: Mandatory Vendor Acceptance

Vendors are expressly prohibited from officially or unofficially hiring, making any employment offer or proposing any similar representation, consulting or business arrangement whatsoever with any Corporation employee, officer or Director, whether directly or through an entity owned thereby, for compensation of any kind, from the time this RFP is issued until the earlier of either: (I) one (1) year after the execution of any Contract; or (ii) the rejection of all Proposals received by the Corporation.

Notwithstanding anything in this Section to the contrary, Vendors are hereby notified the Corporation's Conflict of Interest/Ethics Policy prohibits (i) former Corporation employees, officers or Directors representing any Successful Vendor before the Corporation, and (ii) former Corporation officers and Directors, whether directly or through an entity owned thereby, soliciting or accepting employment or entering into a contact for compensation of any kind with a Successful Vendor, each for a period of one (1) year after such person ceases to be a Corporation employee, officer or Director, as the case may be or terminate any subsequent awarded Contract for making such an offer or proposition.

## **2. Lottery Background**

Response Note: None for Section 2

### **2.1 General Information**

The Alyce G. Clarke Mississippi Lottery Law, Senate Bill 2001 (First Extraordinary Session 2018) (the "Act"), formed the Mississippi Lottery Corporation (the "**Corporation**") to administer the State of Mississippi's first lottery (the "**Mississippi Lottery**"). The Board governs the Corporation. The Board is comprised of five (5) members appointed by the Governor, with the advice and consent of the Senate, in addition to the Commissioner of the Department of Revenue and the State Treasurer as ex officio members. Composing the current Board are Dr. Michael J. McGrevey, Dr. Cass Pennington, Kimberly LaRosa, Gerard Gibert, Philip Chamblee, Commissioner Herb Frierson, and Treasurer Lynn Fitch. The Act mandates the Board appoint a President of the Corporation, subject to the approval of the Governor. The

Board appointed Thomas N. Shaheen as President of the Corporation (the “**President**”), who was subsequently approved by Governor Phil Bryant.

The Corporation is an independent, self-supporting and revenue-raising corporation of the State of Mississippi, created by the Act. It plans to employ approximately eighty (80) people statewide and have approximately three (3) regional claim center offices (the “**Claim Center Offices**”) in addition to the Corporation’s headquarters to be located in Flowood, Mississippi. The exact numbers of employees, retailers selling the Corporation products and Claim Center Offices is subject to change in the discretion of the Corporation. The Corporation is committed to maximizing revenues to the State of Mississippi by providing entertaining lottery products and quality customer service to retailers and players, while maintaining its integrity and the integrity of its games.

The Corporation anticipates instant ticket sales will begin on or before December 1, 2019 (the “**Startup Deadline**”).

## **2.2 Marketing Objectives**

Lottery marketing objectives consist of the following six (6) areas:

- Maximizing the sale of Lottery tickets and revenues to the State by maintaining public awareness of the Lottery’s games and operations in a manner maintaining the dignity of the State and the general welfare of the people;
- Maintaining the public’s trust and confidence in the Lottery and its operation;
- Broadening the appeal of the Lottery’s product mix to a larger audience;
- Promoting lottery games as fun and easy to play along with a variety of play actions and prizes;
- Marketing games and themes satisfying the preferences of potential players; and
- Ensuring marketing efforts remain consistent with the requirements of state and federal law, including prohibitions on sales of lottery products to minors.

## **2.3 Lottery Retailers**

The Corporation’s retailer base (“**Retailers**”) as of the Startup Deadline is currently expected to be approximately one thousand five hundred (1,500) to one thousand seven hundred (1700) (subject to change in the discretion of the Corporation). Thereafter, based on subsequent developments and sales and the recommendation of the President to the Board, the Retailer base may be expanded to three thousand (3,000) or more during the term of the Contract.

### **3. Terms and Conditions**

#### **3.1 Introduction**

RESPONSE NOTE: Mandatory Vendor Acceptance

This section describes the terms and conditions that apply to the procurement process and which will become part of the Contract(s) executed pursuant to this RFP; however, the Contract is not limited to these provisions.

#### **3.2 Scope of the Contract**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor will provide advertising and related services for the Lottery as described in the Contract, this RFP, and the Successful Vendor's response to this RFP. The Successful Vendor understands and agrees the provision of advertising and related services during the Term of the Contract, or any extension hereto, is nonexclusive, and the Lottery has the right to acquire advertising and related services and to enter into an agreement with other vendors to provide services to the Lottery during the Term of the Contract, or any extension hereto.

#### **3.3 Elements of the Contract**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Contract between the Lottery and the Successful Vendor will include as integral parts thereof: addendums to the Contract; the RFP; written clarifications, including applicable responses to questions from Vendors and addenda to this RFP, if any; the Vendor's Proposal, including appendices; amendments to the Proposal and Proposal clarifications, if any; the Contract; and other documents identified by the Lottery, e.g., specification documents.

The Contract elements listed above will constitute the entire Contract between the Lottery and the Successful Vendor. Representations, verbal or written, by either the Successful Vendor or the Lottery not included in such Contract elements will not be binding.

#### **3.4 Governing Law**

RESPONSE NOTE: Mandatory Vendor Acceptance

All Proposals and the Contract are automatically subject to the requirements of, and must comply with, the Act and the regulations, policies and procedures of the Corporation as they may be adopted or amended from time to time (collectively, the "Regulations, Policies and Procedures"), regardless of whether or not specifically addressed in either this RFP or the Proposal. All potential Vendors must read and be familiar with the Act and the Regulations, Policies and Procedures of the Corporation, a copy of which may be obtained either from the Corporation or through a link on the Website. The Regulations, Policies and Procedures are subject to change from time to time in the sole discretion of the Corporation and no advance written notice of any such changes must be provided to any Vendor or other individual or entity. Unless otherwise

indicated therein, any changes in the Regulations, Policies and Procedures adopted by the Corporation become effective thirty (30) days after their being published and posted on the Website. A Vendor may obtain the latest Regulations, Policies and Procedures at any time upon a written request to the Corporation or at [mslotteryhome.com](http://mslotteryhome.com). Thus, all Vendors are required to continually monitor and pay close attention to the Regulations, Policies and Procedures and all changes thereto. All Vendors shall automatically be deemed to be on notice of, and subject to, the latest Regulations, Policies and Procedures of the Corporation. All Vendors are precluded from alleging any particular Regulations, Policies and Procedures are not applicable to them because of their lack of knowledge of their existence or modification.

### **3.5 Term of the Contract**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Contract resulting from this RFP will be for a three (3) year period, unless sooner terminated, subject to the Corporation's sole option to exercise three (3) one (1) year extensions of the term of the Contract, which exercise by the Corporation may occur annually, in multiples of two (2) or three (3) years, or not at all.

The price terms for any extensions shall be at the same rate as set forth in the proposals. The Lottery reserves the right to direct work to the Successful Vendor during a three (3) month transition period

### **3.6 Subcontractor Approval**

RESPONSE NOTE: Mandatory Vendor Acceptance

Any proposed subcontracts shall be subject to the prior written approval of the Lottery, except those subcontracts listed in the Proposal. The Successful Vendor must appoint alternates to any subcontractors not approved by the Lottery.

### **3.7 Assignment**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Contract shall not be assigned, transferred, conveyed, sublet or, otherwise, disposed of without previous written approval of the Lottery and the Lottery shall not unreasonably withhold such approval. Any purported assignment in violation of this section shall be null and void. Further, the Successful Vendor shall not assign the right to receive amounts due under the Contract without the prior written consent of the Lottery.

### **3.8 Lottery Approval of Staffing/Subcontractors**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery may disapprove any employee or subcontractor of the Successful Vendor who is assigned to the Lottery Contract, either at Contract inception or at any time during the Term of the Contract.

Neither the Successful Vendor nor the Lottery shall engage or allow the engagement of unfit or unqualified persons or persons not skilled in the tasks assigned to them with respect to the Contract and the parties shall at all times employ sufficient personnel for carrying out work to full completion in the manner and time prescribed by the Contract. The Successful Vendor shall be responsible to the Lottery for the acts and omissions of the Successful Vendor's employees and any subcontractors' employees.

Any person employed by the Successful Vendor shall, at the written and reasonable request of the Lottery, be removed forthwith by the Successful Vendor from work relating to the Contract. The Successful Vendor's subcontractors are in this respect considered Vendor employees.

### **3.9 Covenant against Contingent Fees**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor warrants that no person or selling agency has been employed or retained to solicit or secure a Contract pursuant to this RFP upon a Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting disclosed employees or disclosed established commercial or selling agencies retained by the Successful Vendor for the purpose of securing business. For breach or violation of this warranty, the Lottery shall have the right to terminate the Contract in accordance with the termination clause, and at its sole discretion, to deduct from the Contract any price or consideration, or otherwise recover the full amount of any such commission, percentage, brokerage, or contingent fee.

### **3.10 Accounting Records**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall maintain, in accordance with generally accepted accounting principles, all pertinent books, documents, financial accounting records and evidence pertaining to the Contract to the extent and in such detail as necessary to document all net costs, direct and indirect, for which payment is claimed.

Such financial and accounting records shall be made available for inspection and copying, upon request, to the Lottery, its designees or any authorized agency of the State at any time during the Term of the Contract and for the most recent three (3) Lottery fiscal years from the expiration date or final payment under the Contract, including any extension options, whichever is later in time. The Successful Vendor must be capable of providing accounting records in an electronic tabular format, for example in a delimited .txt, .csv, .xlsx or other delimited flat file formatted in organized rows and columns.

### **3.11 Right to Audit**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery reserves the right to audit all Successful Vendor and subcontractor facilities, processes and/or procedures as they relate to the Contract, utilizing Lottery employees, its designees or other employees of the State as provided by law.

The Successful Vendor and all its subcontractors under the Contract are required to maintain records and supporting evidence pertaining to the fulfillment of the Contract obligations in accordance with generally accepted accounting principles and other procedures specified by the Lottery.

These records must be made available to the Lottery and its designees during the Term of the Contract and any extension thereto. These records must be retained for three (3) years from the date of final payment of the Contract.

The Lottery reserves the right, at its sole discretion, to perform additional audits which may include, but are not limited to, the following: financial/compliance, security, economy/efficiency, program results or, limited scope audits where appropriate. Additionally, the Lottery reserves the right to inspect any of the Successful Vendor's third-party auditor's reports and management letters.

Unless the audit would be impaired, any audit by the Lottery will only be conducted with reasonable prior notice to the Successful Vendor and subject to all security, quality and other procedures which may be in force at the Successful Vendor site. In the case of an audit indicating non-compliance with the terms of the Contract, the Lottery may terminate the Contract.

### **3.12 Audit Requirements**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Media Vendor shall conduct post-buy analysis and audit placement of media in accordance with Appendix B. At the Lottery's request, the Successful Vendor shall cooperate and work in tandem with a third-party media auditing service to periodically examine and audit advertising released through the various media to verify quality, timing, position, and distribution are consistent with the approved plans and guidelines. Media auditing services shall be at the expense of the Lottery.

### **3.13 Ownership of Materials and Intellectual Property**

RESPONSE NOTE: Mandatory Vendor Acceptance

Subject to the provisions of this section, all work product and deliverables provided to the Lottery by the Successful Vendor shall be deemed work made for hire for the Lottery, and to the extent any such work product and/or deliverables are not deemed work made for hire under applicable law, the Successful Vendor agrees to assign all right, title and interest in and to any and all work product and deliverables upon creation thereof. The term "work product" as used herein, includes, but is not limited to, written reports, studies, software or web interfaces, drawings or graphics, creative concepts, copy, scripts, advertisements, tickets, templates, artwork, electronic source codes, electronic data systems or mechanical representations and any work of a similar nature which is required to be delivered by the Successful Vendor to the Lottery under the Contract. The Successful Vendor shall not include in the work product Intellectual Property Rights (as defined below" of any third party without the written permission of the Intellectual Property Rights owner for the Lottery to use such Intellectual Property Rights for the purposes deemed necessary or desirable by the Lottery. Notwithstanding the foregoing,

to the extent the work product or deliverable contains any Intellectual Property Rights of the Successful Vendor existing prior to the effective date of the Contract (collectively, “Pre-Existing Intellectual Property Rights”), the Successful Vendor shall identify such Pre-Existing Intellectual Property Rights as being part of the work product or deliverable and the Successful Vendor shall grant to the Lottery a licensee to use all Pre-Existing Intellectual Property Rights free of additional charge and on a non-exclusive, worldwide, transferable, fully sublicenseable, fully paid up, royalty-free and perpetual basis as necessary or desirable for the Lottery to make reasonable use of the work product and deliverables.

As used herein, “Intellectual Property Rights” shall include any right under copyright, trademark, patent, trade secret, right of publicity, privacy, moral or other proprietary right recognized under applicable law, whether or not such right is formally registered.

If the Successful Vendor engages any third parties to perform services under the Contract, the Successful Vendor shall work with the Lottery to determine the most cost effective means of procuring those services while at the same time ensuring the Lottery obtains the rights it desires in any resulting works. If the Lottery determines ownership in any work to be produced by a third party is desired and such determination is communicated to the Successful Vendor, the Successful Vendor shall use its best efforts to obtain from such third party an appropriate assignment securing all rights, title and interest in such works, including all copyrights and trademarks, provided the Lottery pays the cost thereof.

### **3.14 Title to and Use of Third-Party and Contractor Intellectual Property Rights**

RESPONSE NOTE: Mandatory Vendor Acceptance

To the extent any Successful Vendor utilizes or relies upon the Intellectual Property Rights of a third party in fulfilling its obligations under the Contract, the Successful Vendor must provide the Lottery with assurance the use of such third party’s Intellectual Property Rights is permissible as the Lottery deems necessary.

### **3.15 Intellectual Property Rights Infringement**

RESPONSE NOTE: Mandatory Vendor Acceptance

Any Successful Vendor shall take all measures to prevent any patent, copyright, trademark and/or trade secret infringements during any phase of development, designing advertising for the Lottery or otherwise producing materials for the Lottery during the term of the Contract, including any renewal extensions. No work product or deliverables provided to the Lottery under this Agreement shall infringe upon, misappropriate or otherwise violate the Intellectual Property Rights of any person.

The Successful Vendor shall ensure that no violations or infringement of Intellectual Property Rights are committed by its own employees, by any subcontractor, by any subcontractor’s employees and, generally any person acting under the control or acting by toleration of the Successful Vendor.

The Successful Vendor shall ensure all materials delivered to the Lottery including, but not limited to, software, databases, photographs, artwork, audio and video works, music and generally all works falling under the scope of the law protecting Intellectual Property Rights are only used with the express consent of the author and/or owner(s) of the works. Lawful and correct use may include, if requested, the payment of usage or reproduction rights, the integration of the author's or producer's name, as required by law and, generally, the respect of all the author's moral rights in the work.

The Successful Vendor shall assume all liability and shall hold the Lottery harmless from any liability resulting from any infringement, misappropriation or violation of Intellectual Property Rights occurring as the result of the Successful Vendor's or any subcontractor's actions.

### **3.16 Intellectual Property Indemnification**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall agree to indemnify and save harmless and to defend all legal or equitable actions brought against the State of Mississippi and the Lottery, and/or employee of the Lottery for and from all claims of liability which may result from the Lottery's use of any Intellectual Property Rights including those uses permitted under licenses granted by the **Successful Vendor and for any claims resulting from the Successful Vendor's use of third-party Intellectual Property Rights**. The Lottery shall agree to give the Successful Vendor prompt notice of all such claims of liability.

If the Lottery promptly notifies the Successful Vendor in writing of a third-party claim against the Lottery that any deliverable infringes upon the Intellectual Property Rights of any third party, the Successful Vendor shall defend such claim at its expense and will pay any costs or damages which may be finally **awarded against the Lottery. If any deliverable is, or in the Lottery's opinion likely to be, held to be infringing**, the Successful Vendor must at its expense and option either: (a) procure the right for the Lottery to continue using it, (b) replace it with a non-infringing equivalent or (c) modify it to make it non-infringing.

If the actions in clauses (a), (b) and (c) are not commercially practicable, the infringing deliverable may be returned and the Lottery shall be refunded the fees paid for such deliverable as well as any applicable liquidated damages. The Successful Vendor shall make every reasonable effort to explore options (a), (b) and (c) prior to returning the fees paid, paying the applicable damages and receiving the deliverable **from the Lottery**.

### **3.17 Indemnification**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall indemnify, defend and hold harmless the Lottery, the State and its departments, divisions, agencies, sections and commissions and their respective officers, employees and agents from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

Any claim, demand, action, citation or legal proceeding arising out of or resulting from (i) the product provided or (ii) performance of the work, duties, responsibilities, actions or omissions of the Successful Vendor or any of its subcontractors under this Agreement;

Any claim, demand, action, citation or legal proceeding arising out of or resulting from a breach by the Successful Vendor of any representation or warranty made by the Successful Vendor in the Agreement;

Any claim, demand, action, citation or legal proceeding arising out of or related to occurrences that the Successful Vendor is required to insure against as provided for in this Agreement;

Any claim, demand, action, citation or legal proceeding arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Successful Vendor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the Lottery;

Any claim, demand, action, citation or legal proceeding which results from an act or omission of the Successful Vendor or any of its subcontractors in its or their capacity as an employer of a person.

**The Successful Vendor's duty to indemnify shall survive the expiration or termination of this Agreement and** shall apply to all acts taken in the performance of this Agreement regardless of the date any potential claim is made or discovered by the Lottery.

### **3.18 Confidential Information**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall not divulge or release any information, reports or recommendations developed or obtained in connection with performance of the Contract except to authorized Lottery personnel or upon prior written approval of the President or authorized designee. News releases pertaining to any service provided by the Successful Vendor under the Contract shall not be made without prior written approval of the President or his authorized designee.

### **3.19 Taxes, Fees and Assessments**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery shall have no responsibility for the payment of any federal, state or local taxes which become payable by the Successful Vendor or its subcontractors as a result of the Contract. The Lottery reserves the right to offset any State liability against the compensation due the Successful Vendor.

### **3.20 Advertising**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall not use the Lottery's name, logo, slogan, image or any data arising or resulting from this RFP or the Contract as a part of any commercial advertising without the prior written consent of the President.

### **3.21 Warranties**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor warrants:

- a. The Successful Vendor is fully authorized and prepared to enter into and fully perform the terms and conditions of the Contract;
- b. The Successful Vendor has secured or will have secured all necessary rights, clearances and/or licenses with respect to all material and elements embodied in or used in connection with the performance of the Contract and any extension periods;
- c. The products and services in all respects meet or exceed all of the Lottery's requirements set forth in this RFP;
- d. The Successful Vendor will comply with all federal state and local laws, ordinances, rules and regulations applicable to its activities and obligations under the Contract; and
- e. All persons assigned by the Successful Vendor to the performance of the Contract shall be employees of the Successful Vendor (or specified Subcontractor) and shall be fully qualified to perform the work required.

### **3.22 Insurance**

RESPONSE NOTE: Mandatory Vendor Acceptance

For the term of the Contract, the Successful Vendor must maintain the insurance, at its own expense, listed below:

- a. General Liability Insurance with limits of not less than \$2,000,000.00, with the Lottery named as additional insured.
- b. Errors and Omissions Insurance with limits of not less than \$1,000,000.00 with normal industry exclusions. Such insurance shall be continued for at least one (1) year after the expiration of the Contract. Errors and Omissions Insurance shall indemnify the Successful Vendor and the Lottery for any loss which may be incurred due to any error or omission caused by the Successful Vendor, its officers, employees or assigns, regardless of negligence. The Lottery will accept a certificate of insurance from a company, authorized to transact business in Mississippi, relating to the Errors and Omissions Policy in which the Lottery is a named certificate holder and in which the insurance company commits itself to provide the Lottery with at least thirty (30) days prior written notice of cancellation, termination or modification of the policy.
- c. Workers' compensation as required by State law.
- d. Commercial automobile liability insurance protecting the Successful Vendor from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos

which may arise from the operations under this Contract, and in case any work is subcontracted the Successful Vendor will require the subcontractor to provide Commercial Automobile Liability, with Insurance minimum amounts of \$2,000,000 per occurrence - Combined Single limit for Bodily Injury and Property Damage.

- e. Only certificates from companies authorized to transact business in Mississippi will be accepted; be occurrence-based and insure against any loss or damage resulting from Successful Vendor's performance or related to performance. The Successful Vendor shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the Lottery. The certificates of insurance provided should contain this waiver of subrogation rights.

### **3.23 Compensation Procedures during the Contract**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall submit detailed invoices or estimates for services rendered no later than the 5th day of each month. The invoices shall reflect the Successful Vendor's services and outside services and purchases incurred by the Successful Vendor. The invoices shall be submitted to the Lottery with appropriate documentation as necessary to support all the charges included on the monthly invoice.

The Successful Vendor is not entitled to payment for services rendered pursuant to the Contract if the Lottery reasonably determines the services have not been satisfactorily performed. The Lottery may withhold that portion of the Vendor's fee, which represents payment for the unsatisfactory services.

#### Outside Services and Products –

Advertising related products and services provided by entities or individuals outside the billed to the Lottery at net cost. All volume rates and discounts shall be passed on to the Lottery. These products and services include but are not limited to such items as production work for television shows or training videos, photography, audio and video recording, duplication and talent fees, typography and associated proofs, color separations, production negatives, duplicate shoot copies, copying charges, photostats, research and creative services, printing, web banners, promotional novelties and art supplies. Vendor overhead expenses such as photocopy expenses, storage charges, long-distance or other telephone charges, cellular telephone charges, office supplies and support services shall not be charged to the Lottery.

#### Out-Of-Pocket Expenses –

Out-of-pocket expenses reasonably incurred by the Successful Vendor in performance of the Contract shall be billed to the Lottery at cost without mark-up and submitted with the monthly invoice. Out-of-pocket expenses include but are not limited to such items as postage, shipping/delivery charges and art supplies. Vendor overhead expenses such as photocopy expenses, storage charges, long-distance or other telephone charges, cellular telephone charges, office supplies and support services shall not be charged to the Lottery.

### Reimbursement of Costs -

The Lottery may agree to reimburse the Successful Vendor for non-media costs incurred in the procurement of any additional services or materials under the Agreement, provided that such procurements are done with the prior written approval of the Lottery. Unless otherwise specifically agreed to by the Lottery and the Successful Vendor, the Successful Vendor will not charge or invoice the Lottery for supervision of subcontractors.

The Successful Vendor shall credit the Lottery with any amounts received in rebate from publishers or third parties resulting from rate reductions, lineage shrinkage, "short circulation," nonappearance of the advertisement, faulty reproduction or similar cause.

### **3.24 Notices**

RESPONSE NOTE: Mandatory Vendor Acceptance

### **3.25 Approval of Concepts, Plans and Materials**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall have each commercial or concept completed for the Lottery reviewed by its account team prior to presenting the commercial or concept to the Lottery. All materials to be distributed **must be approved in writing by the Lottery's** authorized designee prior to production of the advertisement or related material. The Lottery reserves the right to approve and, in its discretion, modify or reject any and all schedules and plans submitted by the Successful Vendor and to direct the Successful Vendor to cease work in connection therewith. In such cases, upon reasonable notice by the Lottery, the Successful Vendor shall promptly notify all media, publishers, printers, engravers, artists, production houses, designers or other third parties engaged in carrying out such schedules or plans to cease work thereon. This provision shall not affect obligations of the Lottery to the Successful Vendor under the Agreement or any accounts, charges and expenses incurred by the Successful Vendor as to activities approved by the Lottery prior to notice of the modification or rejection.

### **3.26 Purchasing Authority**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall be the agent of the Lottery for the purchase of materials and services used in the production of advertising and sales promotion materials for the Lottery. The Lottery shall bear sole financial liability and shall pay for all financial obligations incurred by the Successful Vendor on the Lottery's behalf within the scope of the Successful Vendor's authority. In the procurement by the Successful Vendor of goods and services from outside vendors pursuant to the Contract, the Successful Vendor shall comply with the Corporation's Procurement Policy.

### **3.27 Authorizations**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Successful Vendor shall not incur liability on the Lottery's behalf for any item of space or time in an advertising medium or the purchase of materials and services or other expenses within the scope of the Contract without the prior written consent of the President or his authorized designee.

## 4. Vendor Corporate Information

### 4.1 Introduction

RESPONSE NOTE: Mandatory Vendor Acceptance

**Vendors must respond to all portions of this section.** The information requested in this section applies to the Vendor and any of its subsidiaries that may contribute to the Proposal or to the performance of the Contract.

### 4.2 Corporate Background Overview

RESPONSE NOTE: Mandatory - Full

The Vendor must provide the following general information as part of its Proposal:

- a. The name and address of the Vendor submitting the Proposal;
- b. Type of business entity (e.g., corporation, limited liability corporation, partnership, etc.) and employer identification number (EIN or Fed ID #);
- c. Place of incorporation or legal address where other form of organization is domiciled;
- d. The name, address, telephone number and e-mail address of the Vendor's primary contact for the purpose of this RFP;
- e. Name and location of the office relating to the Vendor's performance as proposed.
- f. The names, addresses and services performed of any subcontractors, associated companies or consultants who will be involved at an estimated 25 percent or more of any phase of the project or services being procured in this RFP;
- g. The name(s) of any and all law firms and/or individuals representing the Vendor within the State of Mississippi; and
- h. if the Vendor is a corporation, the officers, directors and each stockholder known to the corporation to own beneficially five percent (5%) or more of such corporation's securities, as well as the same information for every business entity that is a direct or indirect five percent (5%) or greater shareholder of such Vendor corporation; (ii) if the Vendor is a limited liability company, the equivalent disclosure of that required for corporations; (iii) if the Vendor is a trust, the trustee and all persons entitled to receive income or benefits from the trust; (iv) if the Vendor is an association, the members, officers and directors; and (v) if the Vendor is a partnership or joint venture, all of the general partners, limited partners or joint ventures.

### 4.3 Applicable Experience

RESPONSE NOTE: Mandatory – Full

The Vendor must submit, an Experience Summary titled "Media Experience Summary" including its experience in media planning and creative advertising services.

MEDIA EXPERIENCE:

- a) The Vendor must provide a brief history of the Vendor including, but not limited to, its founding date, number of years in business, business organization and number of employees in Mississippi for the previous three (3) fiscal years.
- b) The Vendor must provide its total gross annual billings in Mississippi for the Vendor's three (3) previous fiscal years and the amount of annual billings by type of media or service (television, radio, print, outdoor, interactive, etc.).
- c) The Vendor must list its top five (5) accounts over the Vendor's previous three (3) fiscal years. For each account, the Vendor must describe the scope of services provided, the approximate gross billings and the name and telephone number of a contact person. If client confidentiality prevents billing disclosure, the Vendor must identify where the Lottery's expected billings would rank among the Vendor's top five (5) accounts.
- d) The Vendor must list any major client lost during the Vendor's past three (3) or current fiscal years and provide a brief rationale why the account was lost.
- e) The Vendor must identify the volume of new accounts obtained or retained within the Vendor's last three (3) fiscal years.
- f) The Vendor must provide media references from three (3) sources during the Vendor's past three (3) fiscal years. Include the contact name, telephone number and e-mail address if available.
- g) The Vendor must provide a detailed organizational chart and resumes of all key staff members that are anticipated to be assigned to the Lottery account and the percentage of time each person is expected to work on the account. The Vendor must indicate the number of staff available for media purchases during a heavy buy period. The Vendor must also briefly describe the roles its chief executive officer, media director and director of account services will play in servicing the Lottery account.
- h) The Vendor must describe the basic functions of the Account Services staff to help plan, create and coordinate projects with the Lottery.
- i) The Vendor must describe what the Vendor believes should be the client's responsibilities and what should be the Vendor's responsibilities in developing and maintaining successful working relationships and in identifying and achieving measurable goals.
- j) The Vendor must describe its Media Department staff and their abilities in media planning, buying and monitoring results. The Vendor must describe and explain the manner in which additional media value has been obtained for a client and provide examples showing the scope of such additional, non-paid media value.
- k) The Vendor must describe how it can fulfill the production needs of the Lottery in a cost effective manner.
- l) The Vendor must describe how it can help the Lottery in any public relations planning or idea implementation.
- m) The Vendor must briefly describe a problem or opportunity that the Vendor uncovered through research for a client and how the Vendor adapted the creative strategy or creative development to take advantage of this research finding.
- n) The Vendor must briefly describe an actual sponsorship Proposal, event Proposal or promotional media opportunity the Vendor reviewed and evaluated for its cost/benefit value for a client and outline the major evaluation processes the Vendor utilized to prepare such an evaluation.

- o) The Vendor must provide a summary outlining its resources, capabilities and strengths to fully service the Lottery account and perform the services required. The goal is for the Lottery to learn how the Vendor's philosophy and structure shall provide a "uniqueness" perhaps not seen in other Vendors. The summary shall be limited to one page in length.

CREATIVE EXPERIENCE:

- a) The Vendor must provide a brief history of the Vendor including, but not limited to, its founding date, number of years in business, business organization and number of employees in Mississippi for the Vendor's previous three (3) fiscal years.
- b) The Vendor must provide its total gross annual billings in Mississippi for the Vendor's previous three (3) fiscal years and the amount of annual billings by type of media or service (television, radio, print, outdoor, interactive, etc.).
- c) The Vendor must list its top five (5) accounts over the Vendor's previous three (3) fiscal years. For each account, the Vendor must describe the scope of services provided, the approximate gross billings and the name and telephone number of a contact person. If client confidentiality prevents billing disclosure, the Vendor must identify where the Lottery's expected billings would rank among the Vendor's top five (5) accounts.
- d) The Vendor must list any major client lost during the Vendor's past three (3) or current fiscal years and provide a brief rationale why the account was lost.
- e) The Vendor must identify the volume of new accounts that have been obtained or retained within the Vendor's last three (3) fiscal years.
- f) The Vendor must provide up to three (3) examples of non-Lottery-related campaigns or creative work to showcase how the Vendor's experience makes it suited to understand retail marketing, behavioral consumer marketing and product distribution.
- g) The Vendor must list any major awards won by the Vendor within the Vendor's past three (3) fiscal years.
- h) The Vendor must provide a detailed organizational chart and resumes of all key staff members anticipated to be assigned to the Lottery account and the percentage of time each person is expected to work on the account. The Vendor must also briefly describe the roles its chief executive officer, creative director and director of account services will play in servicing the Lottery account.
- i) The Vendor must describe the basic functions of the Account Services staff to help plan, create and coordinate projects with the Lottery.
- j) The Vendor must describe what the Vendor believes should be the client's responsibilities and what should be the Vendor's responsibilities in developing and maintaining successful working relationships and in identifying and achieving measurable goals.
- k) The Vendor must describe the basic functions of the Creative Services staff, and in particular, any practices employed to help produce consistently effective advertising.
- l) The Vendor must provide a DVD or drive containing no less than four (4) and up to eight (8) samples of television spots, a SMALL PORTABLE STORAGE DEVICE or drive containing no less than four (4) and up to eight (8) samples of radio spots, and up to four (4) print ad samples produced in the past three (3) years to demonstrate the caliber and range of creative work to be expected from the Vendor's current staff. Included in these sample ads should be a brief, written situational review (not to exceed 250 words) to outline the advertising or marketing objective and the overall strategy of each ad or campaign.

- m) The Vendor must describe how it can fulfill the production needs of the Lottery in a cost effective manner.
- n) The Vendor must describe how it can help the Lottery in any public relations planning or idea implementation.
- o) The Vendor must provide two (2) illustrated samples or current web links showing actual creative done for a client's website or as an online ad. Included with the sample(s) should be a brief, written situational review (not to exceed 250 words) to outline the advertising or marketing objective and the overall strategy of each website design or ad.
- p) The Vendor must briefly describe a problem or opportunity that the Vendor uncovered through research for a client and how the Vendor adapted the creative strategy or creative development to take advantage of this research finding.
- q) The Vendor must provide a summary outlining its resources, capabilities and strengths to fully service the Lottery account and perform the services required. The goal is for the Lottery to learn how the Vendor's philosophy and structure shall provide a "uniqueness" perhaps not seen in other Vendors. The summary shall be limited to one page in length.

#### **4.4 Financial Data**

RESPONSE NOTE: Mandatory - Full

A Vendor must submit a copy of its last three (3) years financial statements that have been audited by an independent public accounting firm. The Lottery reserves the right to require any additional information necessary to determine the financial integrity and responsibility of the Vendor. Successful Vendor shall be required to submit financial statements reviewed by an external CPA annually to the Lottery.

#### **4.5 Disclosure of Litigation and Business Relationships**

RESPONSE NOTE: Mandatory - Full

The Lottery has a strong interest in the Vendor's current and continuing ability to produce secure, high-quality products and/or services. The Vendor must include a complete disclosure of any previous (within the Vendor's last three (3) fiscal years) or pending civil or criminal litigation, administrative or regulatory proceedings or indictment involving the Vendor which may affect the ability to produce and/or deliver the desired products and/or services. The Vendor must also disclose any such pending litigation for any of its employees or subcontractors.

The Vendor must state whether owners (unless a public company), officers or primary partners have ever been convicted of a criminal offense. The Vendor may also be required to identify employees or subcontractors working on their account who have been convicted of a criminal offense. The Vendor must also disclose any civil or criminal litigation or indictment involving any of its joint ventures, strategic partners, prime contractor team members or subcontractors if the subcontractor comprises at least 25 percent of the financial quotation of the Vendor's submission.

The Vendor must also declare any ongoing business relationships with any Lottery employee, director or any other person or organization associated with the Lottery. The Lottery will reject a

Vendor's Proposal or terminate any subsequent Contract for failure to disclose any such relationship.

This is a continuing disclosure requirement. Any such matter commenced after the Vendor has submitted a Proposal in response to this RFP and with respect to the successful Vendor after the execution of a Contract must be disclosed to the Lottery in writing within ten (10) calendar days after it has been filed or upon establishing the relationship. The Lottery may disqualify a Proposal if failure to disclose has had a material impact on competition or, otherwise, prejudices the procurement process.

#### **4.6 Subcontractors**

RESPONSE NOTE: Mandatory - Full

For any subcontractor that providing a major part of the services (25 percent or more) required to be provided under the RFP, the Vendor must disclose all of the information required by Section 4.3. for such subcontractor(s) as if the subcontractor(s) was/were the Contractor.

#### **4.7 Conflict of Interest**

RESPONSE NOTE: Mandatory - Full

A conflict of interest may exist whether or not a financial interest is involved and a conflict of interest may include, but would not be limited to, a director, officer, employee, retailer or existing contractor of the Lottery or any member of his/her immediate family having control or a significant influence over the Vendor or obtaining financial gain with the award of any Contract to the Vendor.

The Vendor must disclose in its Proposal the nature and extent of any real or apparent conflict of interest arising from the award of a Contract to the Vendor. The Vendor must give written notice of the cause and circumstances of any conflict of interest and indicate the portion of the services affected by the conflict of interest.

The Vendor must disclose the following information by either providing the information requested or by confirming they have read the request and declare that it is not applicable. The Lottery will terminate the Contract or disqualify the Proposal for failure to disclose any such information.

- a) List any conflict of interest with the products, promotions and goals contemplated by the Lottery resulting from other projects in which the Vendor or any of its staff members designated to work on this project are involved.
- b) The name, contact details and current position title of any Lottery employee, director or any other person being associated with the Lottery or any member of the evaluation committee (if known) having any direct or indirect affiliation with the Vendor.
- c) The name, title and affiliation with the Vendor of any Lottery employee, director or any other person or organization being associated with the Lottery Committee and who owns, directly or indirectly, an interest of in the Vendor's company or any of its branches or affiliates.

- d) The name, title and affiliation to the Vendor of any employee, agent, lobbyist, previous employee of the Lottery or other person who has received or will receive compensation of any kind in connection with this procurement.
- e) Identify any clients or potential clients for which you have previously performed services who have a gaming or anti-gaming message during the past five (5) years. If the Vendor is currently working with an anti-gaming client, the Vendor will be deemed to have an inherent conflict with the interests of the Lottery. The Proposal will be deemed noncompliant and disqualified unless the Vendor is willing to end the contractual relationship with the client in favor of the Lottery should it be selected. The Vendor must state its willingness to end the contractual relationship with the client in its written Proposal.

## **5. Compensation**

### **5.1 Price Proposal Requirements**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Price Proposal must be complete. The Lottery will reject a Price Proposal that does not provide all of the mandatory information requested. Price Proposals must be placed within a sealed envelope that has been clearly identified as the “Price Proposal.” Additional copies of the Price Proposal are not required.

### **5.2 Compensation**

RESPONSE NOTE: Mandatory – Full

Each proposal must include a precise statement of the Vendor’s proposed compensation for undertaking and completing all phases of the services requested and outlined in this RFP. The Corporation shall compensate the Successful Vendor by payment of a fee calculated as a percentage of the total annual advertising budget. This percentage fee shall include all expenses to be incurred by the vendor in performing all services required by this RFP.

Vendors are reminded the cost quotation should cover all of the services covered by this RFP and to be provided by the Successful Vendor during the term of the Contract. The Successful Vendor will make all media purchases on a net basis and will not receive commissions for said purchases.

### **5.3 Pricing of Options**

RESPONSE NOTE: Mandatory - Full

The Vendor must separately state in its Price Proposal any services not included in the fees stated in section 5.2.

## **6. EVALUATION OF TECHNICAL PROPOSALS**

### **6.1 Introduction**

RESPONSE NOTE: Mandatory Vendor Acceptance

This section describes the evaluation process which will be used to determine which Proposal provides the greatest overall benefits to the Lottery. The objective of the evaluation process is to select the Vendor who can provide advertising and related services best meeting the needs of the Lottery as set forth in the RFP, combined with the proposed price. For instance, a Proposal meeting the requirements with the lowest price might not be selected, if in the Lottery's judgment a higher-priced Proposal offers greater overall benefit to the Lottery.

### **6.2 Evaluation Committee**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery will conduct a comprehensive, fair and impartial evaluation of Proposals received in response to this RFP. In making this determination, the Lottery will be represented by an Evaluation Committee.

When the evaluation is completed, the Evaluation Committee will prepare a written recommendation to the President, who may meet with the Evaluation Committee to ask questions regarding the recommendation or require further work in connection therewith. The President may approve, disapprove, amend, modify, accept or reject the terms of the recommendation by the Evaluation Committee or require further work to be done. The President shall then ultimately submit his final written recommendation to the Board for the Board's consideration. The Board may approve, disapprove, amend, modify, accept or reject the terms of the recommendation by the President or require further work to be done. Additionally, before the Contract may be awarded to and signed by a Vendor, the President must obtain the Board's approval of such Contract award.

The Corporation shall promptly notify the Successful Vendor in writing of the Contract award and the Successful Vendor must commence work immediately following notification of the award, regardless of whether or not a Contract has been signed.

The Board may accept or reject the recommendation of the President.

### **6.3 Information from Other Sources**

RESPONSE NOTE: Mandatory Vendor Acceptance

The Lottery and the Evaluation Committee may obtain, from sources other than the Vendor, information concerning the Vendor, the Vendor's capabilities and the Vendor's performance under other contracts the Lottery or the Evaluation Committee deems pertinent to this RFP and may consider such information in its evaluation process.

Information obtained from such sources mentioned above will be kept confidential, unless required otherwise by law.

#### 6.4 Evaluation Steps

RESPONSE NOTE: Mandatory Vendor Acceptance

The evaluation process and Contract award process will consist of the following steps:

- Phase 1: The Evaluation Committee will review all proposals.
- Phase 2: Review and Evaluation of Price Proposal submitted by each Vendor.
- Phase 3: Evaluation Committee Recommendation.
- Phase 4: Final Decision on Contract Award Recommendation.

#### 6.5 Evaluation of Technical Proposals

RESPONSE NOTE: Mandatory Vendor Acceptance

Each of the technical (non-price) factors in the RFP will be evaluated by the Evaluation Committee for each of the Vendors.

Responses will be rated on the following:

<b>Evaluation Criteria</b>
Vendor Experience
Creative/Strategic Capabilities
Written Case Studies and Work Samples
Price/Cost

Vendor Experience refers to the overall experience of the Vendor and its account/management team assigned to the Lottery account. Criteria to be used to evaluate Vendor Experience include:

- Number of years in business, gross annual billings
- Types and number of clients and success to drive client's business to higher sales levels
- Branding and strategic knowledge and planning experience.
- Retail marketing knowledge and experience
- Media placement knowledge and experience
- Account management skills and experience

Creative/Strategic capabilities refers to the Vendor's resources and services available for the Lottery account and the manner in which the Vendor is ideally suited to create outstanding advertising and related media and marketing support. The criteria to be used to evaluate Creative Abilities include:

Creative Services:

- Consumer products experience of agency staff
- Branding and strategic planning capabilities
- Sales and retail planning capabilities
- Abilities and experience in expanding consumer markets
- Television creative development capabilities
- Radio creative development capabilities
- Interactive abilities and skill
- Point-of-sale creative development capabilities
- Out-of-home creative development capabilities
- Overall creative product and production capabilities
- Number of agency members assigned to the Lottery account

Media Services:

- Consumer products experience of agency staff
- Strategic planning capabilities
- Sales and retail planning capabilities
- Abilities and experience in expanding consumer markets
- Media placement/buying knowledge capabilities specific to Mississippi
- Media placement/buying knowledge capabilities outside of Mississippi
- Capabilities to measure and analyze media campaigns
- Capabilities and experience to integrate traditional and non-traditional media
- Number of agency members assigned to the Lottery account

## **6.6 Evaluation of Price Proposals**

RESPONSE NOTE: Mandatory Vendor Acceptance

Review of the Price Proposals will take place only after review of the Vendor's Technical Proposal and after and review of completed case studies and samples of work for the Vendors. The Lottery reserves the right to request Best and Final offers by the Vendors. Up to three hundred (300) points for price, based on a ratio of the Proposal being evaluated versus the lowest- cost acceptable Proposal. The formula for any particular Proposal being evaluated is:

$PRICE\ POINTS = 300 \times (LOWEST\ COST / PROPOSAL\ COST)$

Under this formula, the lowest cost acceptable Proposal receives all three hundred (300) available points for price. A Proposal twice as expensive as the lowest cost acceptable Proposal earns half as many, or one hundred fifty (150) price points.

The Lottery reserves the right to request Best and Final offers by the Vendors. The Lottery reserves the right to select the number of Vendors for the Best and Final offer. The evaluation scores may be revised as a result of the Best and Final offer.

## **6.7 Negotiation and Recommendation**

RESPONSE NOTE: Mandatory Vendor Acceptance

After review of the recommendation of the Evaluation Committee by the President and approval by the Board, the Lottery will begin to negotiate a Contract with the Successful Vendor who has been recommended by the Evaluation Committee and approved by the Board. Contract negotiations will not address changes to material terms and conditions, services, products, options or pricing for performance of the Contract unless for the clear benefit of the Lottery. The Successful Vendor will be held to the terms submitted in their Proposal, but may be required to reduce costs depending upon aspects of the proposed program which may be determined by the Lottery to be unnecessary or not cost effective.

First consideration will be given to the Vendor with the highest total points. In the event contract negotiations are unsuccessful, the Vendor with the next highest number of points will be selected for consideration.

**APPENDIX A –**

**CERTIFICATION REGARDING DEBARMENT**

**Certification Regarding Debarment**

I certify, to the best of my knowledge, the Vendor/Company (shown in signature box) and all of its principals: (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal Agency or State agency; (b) have not within a ten-year period preceding this Bid Proposal been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of antitrust statutes or commission of embezzlement, theft, forgery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are not presently indicted for or other criminally or civilly charged by a government entity (federal, state, or local) with the commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding this Bid Proposal had one or more public transactions (federal, state, or local) terminated for cause.

This certification is a material representation of fact upon which the Lottery has relied in making its vendor selection. If it is later determined the undersigned knowingly rendered an erroneous certification, in addition to other remedies available, the Lottery may pursue available remedies including suspension, debarment, or termination of the Contract.

By submitting a Bid Proposal and signing this certification, Contractor indicates understanding and acknowledges the Lottery may declare the bid or resulting contract void if the above certification is false. The Contractor also understands fraudulent certification may result in the Lottery or its representative filing for damages for breach of contract.

I have the authority to bind the Contractor indicated below to the specific terms and conditions and technical specifications required in this RFP and offered in the Bid Proposal.

Business Name:	
Authorized Signature:	
Printed Name:	
Title:	
Date:	

**APPENDIX B –**

**SCOPE OF SERVICES**

This Appendix describes the minimum requirements the Successful Vendor will be required to provide to the Lottery for media or creative services.

**B1 General Information**

The Successful Vendor will be responsible for supporting the marketing strategy and plan by providing expert creative, strategic planning, media planning and buying, trafficking, production, personnel, and/or subcontractors. The Successful Vendor will work in tandem with various Lottery marketing staff to assist in planning, designing, and execution of the Lottery’s marketing activities.

The Successful Vendor must establish a fully functional office within 35 miles of Lottery Headquarters with account staff to be available for meetings with 90 minutes’ notice (during regular business hours).

General information regarding the Lottery can be found at the Lottery’s Website.

The determination of how and when advertising and promotion funds are spent rests with the Lottery. While most of the budget for advertising and promotion is generally expended through the Vendor, this is not a mandatory arrangement and there may be a portion of the budget each year which does not go through the Successful Vendor.

It is incumbent upon the Successful Vendor to develop campaigns, promotions and media plans which, in the view of the Lottery, warrant the expenditure of funds. The Lottery anticipates the budget for fiscal year 2020 which began on July 1, 2019 will be \$2,333,000 inclusive of vendor fees. For FY 2021 and FY 2022 the Lottery anticipates the budget will be \$3,500,000 each year inclusive of vendor fees. Estimates for FY 2021 and 2022 may increase depending on sales.

Vendor must submit a purchase plan describing their recommended distribution of expenditure in any or all of the categories listed below for the first fiscal year, 2020. For FY 2020 beginning July 1, 2019, the lottery anticipates introducing 23-25 instant scratch games, Powerball and Mega Millions jackpot games.

Television/cable	
Radio	
Outdoor	
Newspaper/print	
Interactive Media	
Sponsorships/Events	
Promotional Items	
Creative Materials	
Other*	

Other\*: Includes public information materials, public relations expenditures, retailer signage and miscellaneous production and promotional expenses.

The allocation of marketing/advertising expenditures is subject to change depending on the Lottery's marketing strategies, requirements and needs during any given Lottery fiscal year. The Lottery shall always retain final authority for determining allocations of funds, strategies, plans, campaigns, etc.

## **B2 Work and Deliverables**

The Successful Vendor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

### **Marketing**

- Provide assistance in the development of the Lottery's marketing plans and estimated budgets.
- Assist the Lottery with marketing, promotion, and advertising decisions.
- Utilize Lottery's research information to identify and evaluate market and sales development opportunities.

### **Account Management**

- Provide account management that is proactive and possesses the flexibility to change strategies as business conditions/situations warrant.

### **Media**

- Plan and execute statewide broadcast, interactive and newspaper advertising buys according to a strategic media plan targeted toward specified audiences.
- Effectively negotiate bonus spots and promotional opportunities with media outlets to support lottery marketing and public relations initiatives.
- Place TV/cable, radio, online and newspaper advertising as needed for lotto style game jackpot alerts.
- Demonstrate ability to produce maximum effectiveness for each dollar expended, optimal reach and frequency, and evaluate media use and placement for the post-buy analysis using leading industry research tools and technology. Detailed requirements for post-buy analysis shall be provided to the Vendor.
- Provide ongoing ratings and programming research and marketing consulting services.
- Meet with the Lottery for direction and to discuss the specifics of each project to be undertaken.
- Not begin any work on any project before the Lottery has given formal approval.
- No later than two weeks prior to a quarterly media buy, provide copies of the negotiated buy (including value-added opportunities submitted by stations free of charge) to the Lottery.

### **Creative**

- Create strategic advertising materials for lottery products which satisfy the preferences of existing players while broadening the appeal of lottery products to a larger audience and maintaining the public's trust and confidence in the lottery and its operation.

- Provide ongoing strategic brand communication counsel as it relates to overall marketing programs and market segments.
- On an as-needed basis, assist with development of institutional materials such as corporate signage and point-of-sale materials which require periodic replacement.
- Bid and purchase production services as required by the Lottery's Purchasing Policy.
- Provide assistance for promotional event planning, website consultation and social media guidance if requested by the Lottery.
- Not begin any work on any project before the Lottery has given formal approval. Although there will be continuous liaison with the Vendor's team, confer weekly at a minimum, with Lottery for the purpose of reviewing progress and providing necessary guidance to the Vendor in solving problems that arise.
- Confer with Lottery upon request, to initiate services, requests, review materials, review progress, discuss problems, obtain advice and counsel, etc.
- Develop a critical path development schedule providing sufficient Lottery approval time frames from initial presentation of creative through the production and delivery of product.
- Conceptualize and produce marketing and sales support materials for lottery games, campaigns, promotions and other lottery business to optimize the sale of lottery tickets and revenues to the State.
- Upon failure to meet a predetermined deadline, provide an explanation for such failure as soon as it is known and submit an updated project schedule to the Lottery.
- Following receipt of a comprehensive project brief prepared by the Lottery, prepare at least three creative concepts for Lottery to review and approve. Once changes are made and reviewed, the concept will receive final approval from Lottery to move forward.

### **Production**

- Responsible for the timeliness and quality of production of marketing, advertising and promotion materials including, but not limited to, point-of-sale materials, collateral, and advertising specialty items.
- Direct and coordinate television and radio production and review all aspects including budgets, casting, music, and special effects with the Lottery. Responsible for shooting, recording, editing, and post- production. Deliver both rough cuts and finished spots to the Lottery for final approval with sufficient time allowed for necessary changes, if required.

### **Traffic**

- Utilize and maintain a secure Internet-based asset management solution to view and transfer files between the Vendor, the Lottery, and other Lottery vendors.
- Distribute all approved advertising materials, with appropriate traffic instructions, to media vendors in time to meet program deadlines. Send the Lottery a weekly checklist summarizing all media traffic instructions.

### **B3 Use of Subcontractors**

During the course of this Contract, situations may arise where the Successful Vendor may not possess the experience and expertise necessary to effectively carry out a project. The Lottery expects that, in those instances, the Successful Vendor will propose, or the Successful Vendor and the Lottery will jointly identify, subcontractors as needed to creatively develop and oversee production of certain special programs or projects (refer to Section 3.8).

## **B4 Reports**

The Successful Vendor must provide periodic status report/presentations as may be requested by the Lottery. The Lottery reserves the right to request additional information reporting during the term of a resulting contract. The Successful Vendor must be capable of providing the reports listed in this section.

### **Media Services:**

No later than two months following the end of each quarter, the Vendor must submit a post analysis report which compares any such schedule estimates against actual spot rotation deliveries. These summaries should be compiled by target group, by medium, by market, and showing a grand total. No-charge bonus spots or Public Service Announcement (PSA) schedules must also be summarized quarterly in the same way.

### **Creative Services:**

With each monthly invoice provide a summary detailing all expenditures by project, both agency time plus production costs.

## **B5 Promotions**

The Successful Vendor may be requested to provide evaluative and negotiation assistance to the Lottery relating to events, sponsorships and promotional advertising.

## **B6 Accounting**

The Successful Vendor must maintain financial and accounting records and evidence pertaining to expenditures related to the Lottery account (refer to Section 3.10). Such records will be subject to audit (refer to Sections 3.11 and 3.12). The Successful Vendor must have a cost accounting or similar system allowing the Successful Vendor to track the hours worked on the Lottery account and to reconcile billings on a yearly basis. The Successful Vendor must provide experienced accounting staff support to implement timely and accurate records and billings to meet the Lottery expectations.

The Successful Vendor must be capable of providing all invoices for services, reports, or other documentation to the Lottery in electronic format, such as a delimited.txt, .csv or other delimited flat file.

### **Media Services:**

The Successful Vendor must provide the Lottery with an estimate for quarterly media purchases. The Successful Vendor should recommend ways to generate cost savings wherever possible including, but not limited to, making the Lottery aware of any cost savings which might be achieved by the expedited payment of media or other invoices.

### **Creative Services:**

The Lottery shall provide a budget to the Successful Vendor for each project to be completed. The Successful Vendor shall prepare creative plan within the budget provided. Written approvals must be obtained from the Lottery before making any commitment on behalf of the Lottery. The Successful Vendor must comply with the Lottery's Purchasing Policy. All costs relating to

research or other special project work must be completely detailed in any estimate submitted for approval. The Successful Vendor must submit invoices to the Lottery on a timely basis upon completion of the services approved in a specific estimate. Invoices must include necessary backup documentation to substantiate charges. All subcontractor invoices must be included. The Lottery will make payment on an invoice only after completion of service or delivery of goods authorized in an approved estimate or media authorization.

#### **B7 Conferences and Meetings**

The Successful Vendor must (1) facilitate, at minimum, weekly status meetings and with and provide written reports to the Lottery's representative, (2) attend select meetings with the Lottery's Marketing Division, (3) visit lottery retailers and (4) attend promotional meetings with media representatives.

#### **B8 Schedules**

The Successful Vendor must adhere to schedules which may be adopted by the Lottery and the Successful Vendor. The Successful Vendor must ensure that all materials are completed in advance of the start of a lottery game or campaign. All materials to be distributed or commercials to be placed must be approved by designated Lottery management prior to distribution and placement.

#### **B9 Retail Marketing Support**

The Vendor must assist the Lottery in developing and producing point-of-purchase materials to complement advertising campaigns based on the approved project plan.

#### **B10 Public Relations**

The Successful Vendor may be requested to provide public relations/communications consultation and advice to the Lottery and assist the Lottery in the development of key public relations initiatives as needed. The Successful Vendor may be requested to assist the Lottery in drafting of news releases and advising the Lottery regarding media relations.

## APPENDIX C –

### MISSISSIPPI LOTTERY ADVERTISING STANDARDS

The purpose of this Advertising Policy is to outline the standards by which the Lottery conducts its advertising.

#### **Messages**

The Mississippi Lottery is committed to marketing its products in a socially responsible manner. The lottery places high value on providing the public with information about its games and operations.

Initiatives receiving lottery advertising support will include sales of instant scratch-off jackpot games such as Powerball, Mega Millions, and Lotto America, daily 3, and 5 digit games, and any other style games the lottery may introduce from time to time, player promotions, winner awareness, player security, responsible play and proceeds messages.

Mississippi Lottery advertising should provide information on the entertainment aspect of playing lottery games. Advertising must never make false promises, should not dwell solely on winning, and should not encourage Mississippians to play excessively or beyond their means. Advertisements will not promote lottery play as an alternative to work or as a way to relieve personal financial difficulties.

The Mississippi Lottery's messages will not degrade the image or status of a person based on gender, age, race, religion or socioeconomic group. They will not contain inappropriate language, images or actions. They will not focus on anyone who is (or appears to be) below the legal age in Mississippi to participate in lottery games.

Illustrations in ticket designs and marketing materials, and animation used in advertising, will be reviewed to ensure that characters are not similar to those in children's programs.

#### **Placement**

Precautions will be taken to keep lottery advertising away from children whenever reasonable and possible. It will not be placed with media outlets or programs specifically oriented to minors. If the audience composition shows more than 50 percent of the projected audience is under age 21, ads will not be purchased on that TV program, radio station or online platform.

The Mississippi Lottery will avoid placement of commercials in programs of a controversial or sensational nature. Religious and partisan politics programming will not be purchased. Ads will not be placed in programming portraying excessive gambling or a preoccupation with gambling. General Media Buying Rule: "If in doubt, leave it out."

The Mississippi Lottery will pursue use of emerging technology to extend the reach of its messages to populations underserved by traditional media outlets. This will include, but is not limited to, social media channels.

During periods of high jackpots in its games, the Mississippi Lottery will deploy public information and advertising to remind players not to become overly emotional and to play responsibly.

The Mississippi Lottery requests maximum separation from broadcast and cable commercials for:

- Other gaming entities (i.e., casinos, riverboats, neighboring state lotteries)
- Anti-gaming advertisers
- Credit counseling companies (i.e., Consumer Credit Counseling)

All advertising must include a compulsive gambling hotline number as provided by the Corporation and a statement that you must be 21 to play.

## APPENDIX D –

### CASE STUDIES AND SAMPLES OF WORK

Vendors will be required to provide the following information as part of their proposal.

#### CREATIVE CASE STUDY AND WORK SAMPLE

##### Core Capabilities:

- 1) Provide a list of the service offerings and competencies within your firm – or with other agencies you have chosen to partner with in this response.
- 2) List your top three strengths in rank order with supporting rationale.

##### Creative Philosophy:

- 1) How would you characterize or describe your creative approach – your process and product?
- 2) Include and describe a compilation of what you consider your firm’s best creative work over the last three years across all relevant channels.
- 3) Briefly describe how you incorporate research in your process and, if applicable, provide a brief example of an experience where you optimized or changed your creative approach based on a key learning from the Lottery’s primary media-buying demographic (age 25-54) audience research.

##### Client Service Philosophy:

- 1) How do you propose to manage the client/agency relationship? How do you expect the client to manage the client/agency relationship?
- 2) What tools or processes do you use to manage workflow?
- 3) How do you handle multi-channel integration to ensure a consistent brand message along the customer journey?
- 4) What processes are in place for financial stewardship?

##### Creative Work Sample:

- 1) Provide a summary of one comprehensive, statewide advertising campaign that your firm executed in 2018. Describe the objectives, problems/opportunities, creative strategy, and provide copies of any advertisements and/or marketing materials produced for the campaign and an evaluation of the results. The summary should not exceed two pages. Samples must be accessible using a computer drive, Windows Media Player 12, Adobe Acrobat Reader 8, or the Windows 7 suite of products.

#### MEDIA CASE STUDY AND WORK SAMPLE

##### Core Capabilities:

- 1) Describe your approach for determining which technologies or platforms enable you to optimize reaching the Lottery’s primary media-buying demographic (age 25-54) in a multi-channel campaign. Which are in-house, and which are outsourced?
- 2) List the top three distinguishing attributes of your media planning and buying approach and team.

##### Approach to Media Planning and Buying:

- 1) Describe your planning methodology and provide insight into your process for buying, monitoring, optimizing, analyzing and reporting across all channels.

- 2) Describe your digital credentials, and provide an example that illustrates your most innovative digital campaign.
- 3) Describe your process for reviewing sponsorship/event proposals and promotional media opportunities, including (but not limited to) added-value programs. Summarize the strategic insights driving your recommendations and outline how you measure results and ROI.
- 4) Describe a case where your task was to support frequent, fast-paced retail activity and explain how you optimized efficiency while maintaining high creative standards.

**Measurement and Reporting:**

1) Show a breakout of total media your firm placed across the following channels in the past two years.

2018 Media Type	Gross Billings	Percent of Total
Television/Cable – Mississippi		
Hulu/Connected TV –		
Broadcast Radio – Mississippi		
Streaming Radio – Mississippi		
Programmatic Display –		
Facebook/Instagram –		
OOH – Billboards –		
Newspaper – Mississippi		
Magazines/Trade Pubs –		
Television/Cable – Out of		
Broadcast Radio – Out of State		
Other		
<b>Total Gross Billings:</b>		<b>100%</b>

2017 Media Type	Gross Billings	Percent of Total
Television/Cable – Mississippi		
Hulu/Connected TV –		
Broadcast Radio – Mississippi		
Streaming Radio – Mississippi		
Programmatic Display –		
Facebook/Instagram –		
OOH – Billboards –		
Newspaper – Mississippi		
Magazines/Trade Pubs –		
Television/Cable – Out of		
Broadcast Radio – Out of State		
Other		
<b>Total Gross Billings:</b>		<b>100%</b>

2) Describe your standard measurement process and technology that assists in setup, execution, and optimization.

3) Provide a description of the reporting process you would provide this client.

**Media Work Sample:**

Provide a summary of one comprehensive, statewide media plan that your firm executed in 2018. The plan should include information on the Lottery’s primary media-buying demographic (age 25-54) audience, media selected, stations used, number of commercials by media type, and total cost. (The plan must have included TV and radio.) Include information on how the plan maximized media cost efficiencies and an evaluation of results. The summary should not exceed two pages. Samples must be accessible using a computer drive, Windows Media Player 12, Adobe Acrobat Reader 8, or the Windows 7 suite of products.