



**REQUEST FOR INFORMATION:
LOTTERY SOLUTIONS**

4511 Osuna Road NE
Albuquerque, NM 87109
Issued July 10, 2023

1 INTRODUCTION

The purpose of this Request for Information (RFI) is for the New Mexico Lottery Authority (NMLA) to obtain information from qualified vendors (Vendors) regarding development, implementation, and support of full-service Lottery Solutions and associated products and services. Information provided or obtained during the RFI process will be utilized to determine what options are available on the open market that would satisfy the current and future needs and requirements of the NMLA and may aid in writing specifications for future solicitations. Any relevant information obtained through the RFI process may be used in the development of a competitive bid process(es) conducted in the future.

This RFI is for informational purposes only. The information provided as a result of this RFI will not constitute any type of bidding process by the NMLA. NMLA will not evaluate the information received with the intent of establishing any type of contract, and the NMLA will not utilize information received to intentionally eliminate any Vendor from submitting a proposal in response to a formal Request for Proposals (RFP) which may or may not be issued at a later date. This RFI is not intended to conflict with any existing or future contractual relationship between the NMLA and any Vendor. An RFI response is not required for a Vendor to later receive an RFP and bid on components of any NMLA solicitation.

2 CONTACT AND INQUIRIES

The NMLA is the sole point of contact regarding all matters relating to this RFI. All communications concerning this RFI must be addressed to:

Purchaser
purchaser@nmlottery.com
505-342-7651

Vendors may submit written questions to the Purchaser by the deadline in the ESTIMATED SCHEDULE. All questions, without reference to the inquiring Vendor, and answers will be shared with all Vendors who requested the original RFI by the date shown in the ESTIMATED SCHEDULE.

3 ESTIMATED SCHEDULE

The following dates are for information and planning purposes only and may change during the course of the RFI process at the discretion of the NMLA's Chief Executive Officer (CEO). Vendors who received the original RFI will be informed of any material change in writing.

EVENT	DATE
RFI Issued	July 10, 2023
Written Questions from Vendors Due	July 21, 2023
Written Questions and Answers Provided by NMLA	July 28, 2023
Information Packages Due from Vendors	October 3, 2023
Vendor Presentations	October/November 2023

4 REQUIREMENTS

In order to respond to this RFI, a Vendor must have an active applicable contract or product/service implementation within North America for a North American Association of State and Provincial Lotteries (NASPL) lottery.

The NMLA is not requesting cost proposals. Vendors should not include any pricing with their Information Packages.

Vendors should provide Information Packages addressing both of the following two areas: I. GENERAL INFORMATION and II. SOLUTION TYPE INFORMATION.

In the second area, SOLUTION TYPE INFORMATION, Vendors may provide information for one, two, or all of the following Solution Types:

- Full-Service Lottery Central Gaming System
- Instant Ticket Printing and Related Services
- Instant Ticket Distribution Services

Vendors should provide Information Packages of no more than 200 pages in length per Solution Type covered. The 200-page limitation cited in this section shall not apply to any exhibits or attachments providing ancillary information related to this RFI.

I. GENERAL INFORMATION

The following area applies to all Vendors, regardless of Solution Type(s) addressed. The Information Package should include an Executive Summary and information addressing the following optional discussion elements:

- A. General Information Regarding RFP Timing and Contract Terms
- B. General Information Regarding the Format of Future RFP(s)
- C. General Information Regarding Separate/Staggered Contracts for Various Solution Types vs. a Combined/Bundled Contract for Multiple Solution Types
- D. General Information Regarding Contract Pricing Models (NOTE: Discuss philosophy or recommendations. The NMLA is not requesting actual pricing.)
- E. Vendor's Approach to or Recommendations for Cost-Saving Opportunities: The NMLA believes that its relationship with its Vendors should be a partnership. As such, the NMLA expects that Vendors will make a reasonable profit. However, the NMLA seeks arrangements that will help maximize returns to the Lottery Tuition Fund. Please provide information that may help the NMLA develop an RFP for a contract(s) that would provide excellent value to the citizens of New Mexico.

II. SOLUTION TYPE INFORMATION

The Information Package(s) should include information about the following elements, per Solution Type covered. Information may include the Vendor's approach to the topic, recommendations, and any other information the Vendor suggests the NMLA consider when issuing an RFP.

Full-Service Lottery Central Gaming System

- A. Vendor's Relevant Experience
- B. Gaming System Capabilities and Features
- C. Product/Service Innovation
- D. Security Features
- E. Responsible Play Features
- F. Reporting or Business Intelligence Applications
- G. Back-Office System Applications
- H. Software Development Lifecycle and Release Schedules
- I. Data Center and Infrastructure Configuration
- J. Internal Control System (ICS)
- K. Automated draw game drawings
- L. Communication Network (ex. types of communication, monitoring, maintenance)
- M. Field Service Strategy (ex. technology, staffing)
- N. Mobile Applications
- O. Marketing Support
- P. Staffing Roles and Locations
- Q. Retailer Terminals and Vending
- R. Other Retailer Equipment (ex. jackpot signage, advertising monitors)
- S. Integration with Third-Party Solutions
- T. Any other information related to the Solution Type

Instant Ticket Printing and Related Services

- A. Vendor's Relevant Experience
- B. Press Capabilities and Features
- C. Product/Service Innovation
- D. Security Features
- E. Responsible Play Features
- F. Reporting or Business Intelligence Features
- G. Artwork and Prize Structure Design
- H. Price Point Strategy
- I. Prize Payout Optimization
- J. Print Options (ex. inks, paper)
- K. Licensed Property Strategy
- L. Experiential Prizing Strategy
- M. Interactive and/or Promotional Services
- N. Mobile Applications
- O. Marketing Support
- P. Staffing Roles and Locations
- Q. Retail Equipment (ex. signage, dispensers, vending)
- R. Integration with Third-Party Solutions
- S. Any other information related to the Solution Type

Instant Ticket Distribution Services

- A. Vendor's Relevant Experience
- B. System Capabilities and Features
- C. Product/Service Innovation
- D. Security Features
- E. Reporting or Business Intelligence Features
- F. Back-Office System Applications
- G. Instant Game Portfolio Analysis
- H. Software Updates Process
- I. Retailer Telephone Sales
(ex. technology, staffing)
- J. Warehousing
(ex. packaging and shipping, technology, staffing)
- K. Field Service
(ex. mobile technology, staffing)
- L. Retailer Management
(ex. licensing application and approvals technology, staffing)
- M. Integration with Third-Party Solutions
- N. Marketing Support
- O. Staffing Roles and Locations
- P. Retail Equipment
(ex. signage, dispensers, vending)
- Q. Integration with Third-Party Solutions
- R. Any other information related to the Solution Type

5 DELIVERY AND PRESENTATION

Vendors must upload the Information Package file(s) to a file sharing/storage service, such as OneDrive or Dropbox, and email a link to access the files to the Purchaser at rfp@nmlottery.com. Entire Information Packages cannot be emailed directly to the Purchaser as attachments due to file size limitations.

Vendors who submit Information Packages may also be asked to present their capabilities and technology, if applicable, in person at the NMLA headquarters in Albuquerque, New Mexico. Presentations are anticipated to be held during the period listed in the ESTIMATED SCHEDULE section. Vendors will be provided up to an eight-hour window for presentation on various topics, product demonstrations, and questions and discussion with NMLA staff. Presentations for a Full-Service Lottery Central Gaming System should include the various terminals that the Vendor believes may be of interest to the NMLA, onsite and working in a demonstration mode. The Vendor agrees that the NMLA may record the presentations for future review.

6 DISCLOSURE OF INFORMATION PACKAGE CONTENTS

An Information Package should specifically and clearly indicate those pages that are confidential, proprietary, or trade secret. A statement that an entire Information Package is confidential, proprietary, or trade secret will not be acceptable. The NMLA will adhere to all laws pertaining to disclosure or non-disclosure of confidential, proprietary, or trade secret information.

The NMLA reserves the right to use all information contained in an Information Package to the extent permitted by law, including, but not limited to, drafting an RFP relating to any or all of the Solution Types. The NMLA will have the right to use ideas or adaptations presented in the Information Packages.

7 NMLA BACKGROUND

The NMLA was established in 1995 as a public body, politic and corporate, separate and apart from the State of New Mexico. As per the New Mexico Lottery Act, Chapter 6, Article 24 NMSA 1978, the NMLA is governed by a seven-member Board of Directors who provide the Lottery with the private-sector perspective of a large marketing and sales enterprise to maximize revenues for the Lottery Tuition Fund.

The NMLA's headquarters is located in Albuquerque. Field staff in fourteen territories are provided by the central system vendor. Field staff provide marketing as well as technical services to retailers. NMLA staff administer retailer instant ticket order telephone calls ("Tel Sell") as well as warehousing, packing, and shipping.

The NMLA's current two major gaming contracts are: Lottery Gaming System and Associated Products and Services (INTRALOT, Inc., through November 21, 2025) and Instant Ticket Printing and Related Services (Scientific Games, Inc., through April 24, 2028).

The NMLA offers instant games (branded as Scratchers) at various price points, with general ticket sizes as follows: \$1 (2.5" x 4"), \$2 (4" x 4"), \$3 (6" x 4"), \$5 (8" x 4"), \$10 (10" x 4" or 8" x 8"), and \$20 (10" x 4").

The NMLA offers instant-win terminal-generated games called Fast Play! Games and the following draw games: Powerball (including Double Play beginning in June 2023), Mega Millions (including Just the Jackpot), Lotto America, Roadrunner Cash, Pick 3 Plus, and Pick 4 Plus.

In Fiscal Year 2022, instant games accounted for \$80.1 million in sales and draw games accounted for \$56.7 million in sales. The prize payout for instant games was approximately 58.97%. The overall prize payout for instant and draw games was approximately 55.65%.

By statute, 30% of gross revenues each month must be transferred to the State of New Mexico for the Lottery Tuition Fund. The NMLA transferred nearly \$41.1 million in Fiscal Year 2022.

As of June 2023, the NMLA has a retailer network of approximately 1,000 retailers utilizing vendor-provided terminals including approximately 1,090 on-counter terminals and approximately 200 self-service vending machines offering draw games and up to 25 instant games. The NMLA purchased and owns 24 low-profile self-service vending machines offering draw games and up to 25 instant games (primarily at big-box store locations). Standard retail equipment includes a 15" advertising display monitor, a stand-alone ticket checker, and a dual-jackpot window sign. Retailers generally receive a 1% cashing commission and a 5% or 6% selling commission, depending on the types of games and services offered.

Game details, rules, annual financial reports, the New Mexico Lottery Act, and other information is available through the NMLA website at nmlottery.com.