



Connecticut Lottery Corporation (CLC)

Request for Proposals #CLC201804 Addendum 1

April 4, 2018

Vendor Questions and CLC Responses

- 1) Will the Lottery please provide detailed weighting criteria on how each section will be evaluated?

No. See Part X.A of the RFP. The CLC will select the Proposal that, all things considered, the CLC determines to be in its best interest.

- 2) In order to provide the Lottery with the best value for your Player Loyalty Program, will the Lottery accept alternative solutions and pricing models for the Player Loyalty Program?

Proposers must respond to the requirements of the RFP. The CLC is looking for proposers to submit their responses based on the best possible products and/or services they can provide. The response should showcase what your company does best, and how they do it, so any proposal should include a pricing model that you deem the most appropriate for the RFP.

(Section F.2 Page 6 – Specific Requirements)

- 3) Will the Lottery please require Proposers to separately seal their Price Proposals in order to fairly evaluate technical proposals before viewing Proposers' prices?

No.

RFP Part II
(Section F.2, Page 6 – Specific Requirements)

- 4) Will the Lottery clarify if Proposers should respond to Part III? If yes, where should Proposers place this section within the tabbed format identified in this section?

Proposers should place this section within Tab 6.

- 5) Will the Lottery clarify if Proposers should respond to Part IV? If yes, where should Proposers place this section within the tabbed format identified in this section?

Proposers should place this section within Tab 6.

- 6) Will the Lottery clarify if Proposers should respond to Part V? If yes, where should Proposers place this section within the tabbed format identified in this section?

Proposers should place this section within Tab 6.

- 7) Will the Lottery clarify if Proposers should respond to Part VII? If yes, where should Proposers place this section within the tabbed format identified in this section?

There is no specific tab that the information discussed in this section must appear within. This section primarily discusses the CLC's description of the desired loyalty program.

(Section G, Page 6 – Withdrawal of Proposal/ Proposal Effectiveness)

- 8) The RFP states: "Proposals are considered valid, and may not be withdrawn, cancelled or modified, for one hundred twenty (180) calendar days after the Submission Date to allow the CLC to review and evaluate the Proposals." Will the Lottery please clarify if proposals will be valid for 120 or 180 days?

This is a typographical error. Proposals are considered valid, and may not be withdrawn, cancelled or modified, for one hundred eighty (180) calendar days after the Submission Date to allow the CLC to review and evaluate the Proposals, investigate a Proposer's qualifications, issue a Preliminary Notice of Award, and execute a Contract with the successful Proposer.

RFP Part VIII
(Tab 4, Section 1.8, Page 21 – Required Deliverables)

- 9) Will the CLC consider an alternate structure where players earn entries in lieu of points for submission into promotions and drawings, including drawings for points? In this example, blocks of points, among other prizes, would be a possible prize awarded via the drawings.

The CLC envisions a program in which players earn points that are used to enter drawings, redeem for e-coupons or digital rewards. The prizes in those drawings can include monetary prizes, or experiential prizes (tickets, trips, etc). Points will not be used for items from a catalog. The CLC is open to different ideas of how to implement this process as long as the end goals remain the same.

(Tab 4, Section 1.9, Page 21 – Required Deliverables)

10) The RFP states that the “loyalty program shall provide the ability for players to redeem their points for entries into 2nd Chance/promotional draws, experiential prizes, and near-cash merchandise such as e-coupons and digital rewards.” Is it the intention of the CLC for the Offeror to procure prizes and provide fulfillment services as part of the PLP? Does the Lottery require a catalog outlining all prizes available to be won?

The CLC expects the successful Proposer to procure prizes and provide fulfillment services. The CLC may occasionally supply prizes from various sources, but the Proposer will still provide the fulfillment services. There will not be a catalog.

Page 17, Part VII

11) The RFP states "Proposers must provide pricing for all four (4) items (or must note if there is no additional pricing for items two (2), three (3), or four (4)... Is the Lottery asking for pricing only for the technology involved in connecting to the services described in 2, 3 and 4, not for the actual services that might eventually be utilized?

The pricing references the software along with all licenses associated with designing, developing, testing, implementing, hosting, administrating, maintaining and upgrading (when necessary) the technology involved in connecting the services.

Page 18. A, No. 2

12) How does the Lottery define casual players?

Casual players are considered to have an infrequent purchasing history. They are players that purchase lottery tickets less frequently than monthly but more frequently than annually.

Page 18, A, No. 4

13) The RFP mentions “...if/when the CLC is afforded the opportunity to sell games online (iLottery/Sports Betting)”..”
If the time comes when the lottery is allowed to sell games online, does the Lottery anticipate releasing RFPs for iLottery and/or Sports Betting?

The CLC will make those decisions when the time comes.

Page 23, Tab 5: Oral Presentation Online

14) Is the Lottery asking for bidders to supply a written version of the oral presentation outline as part of the response document?

Yes.

Page 22, 2.3

15) The Lottery states “The CLC is currently prohibited from offering interactive/promotional games (free play). The player loyalty program solution shall have the ability to provide a full suite of interactive games for entertainment play and/or to earn points in the program, even if these games are not utilized at launch.”

Is the Lottery seeking respondents to this loyalty RFP who also supply “free Play” games? If a loyalty company does not supply “free play” games, can they still reply to this RFP?

The CLC is very interested in adding free play games to the Loyalty Program at an unknown time in the future. If a Proposer does not have the ability to add these to the Player Loyalty Program, they have the option of partnering with a 3rd party vendor that can produce the free play games at some point in the future, or the CLC can contract with a 3rd party vendor, and the Proposer must be able to integrate the free play games into their system.

Page 29, Attachment C: Price Proposal

16) There are three sections for Additional Costs.

Are these costs for the services or the technology to link the loyalty platform to these services?

See answer to question 11.

Part II Definitions, and Proposal Contents and Instructions, B. Schedule of Certain Key Events and Deadlines, Page 4:

17) This section indicates a contract effective date of July 1, 2018. Does the Lottery have an anticipated go-live date or preferred timeline for implementation?

The CLC anticipates that the Player Loyalty Program will launch in January 2019.

Part II Definitions, and Proposal Contents and Instructions, F. Proposal Contents, 2. Specific Requirements, Page 6, and Part VIII. Proposal Content Details, starting on Page 19:

18) In Part II, the RFP presents a structure for proposals that specifies responding to all the tabs and corresponding requirements presented in Part VIII. Would the Lottery please

confirm that responses are not required for all other Parts and sections of the RFP that are not otherwise noted in Part VIII?

Requested information is also identified in Part III (A, B, C, D, E), Part IV (A, B, C, D) and Part V (A, B). This information must appear in Tab 6.

Part VI. General Terms and Conditions, O. Service Levels and Liquidated Damages, System Availability, Page 15:

19) This section of the RFP specifies that the Hosted Services shall be available at least 99.9% of the time. For a PLP of this nature and scope, industry best practices for uptime range from 99.5% to 99.7%.

Would the Lottery consider amending the RFP to accept an overall uptime of 99.5% or 99.7% per month for its PLP solution?

The CLC will not lower the uptime percentages. 99.9% uptime / month gives approximately 43 minutes of unscheduled downtime per month. It is important to remember that this is calculated on 'unscheduled downtime', which does not include approved downtime for software updates/ system upgrades, etc.

Part VII. Technical Requirements, Player Loyalty Program Solution, Page 17:

20) This section of the RFP states that considerations should be made for the loyalty program to act as the primary service with possible third-party sites to facilitate the iLottery/Sports Betting platform, as well as the iLottery/Sports Betting platform as the primary service, with this proposed loyalty program as the third party.

In these scenarios, does the Lottery envision a future iLottery solution being integrated:

- a) *At the data exchange level? For example, if the iLottery platform is "primary" then it replicates new and updated accounts to the Loyalty platform; and/or*
- b) *At the user interface level? For example, if the iLottery platform is "primary" then Loyalty features are embedded in the iLottery player web app and mobile app.*

The CLC does not have specific information on the interconnection between the various platforms at this time, but it will be a requirement that players have a single login to access the Player Loyalty Program, iLottery, and Sports Betting (as they are approved and implemented) The method of how to implement this is currently undecided. The overall desire is the make things as easy as possible for players to access whatever features, games, and data they want.

Part VII. Technical Requirements, Player Loyalty Program Solution, Page 17:

21) Items 3 and 4 describe options to integrate with a future iLottery suite of games and array of Sports Betting, respectively. Since Proposers must provide pricing for these two options, would the Lottery please clarify how pricing for these should be determined given that the eventual iLottery and Sports Betting solution are undefined?

See answer to question 11.

Part VIII. Proposal Content Details, Tab 4: Required Deliverables, 1.2., Page 20:

22) This section of the RFP states that the Proposer shall transfer all existing CLC player information and 2nd Chance accounts to the Proposer's player loyalty program solution. Would the Lottery please provide the total number of player records that would require migration? Would the Lottery also provide the number of active player accounts (i.e., players that have interacted with the Lottery in the last 12 months)?

The count of records regarding player information is considered sensitive, and will be disclosed to the Successful Proposer. There are no existing player accounts.

Part VIII. Proposal Content Details, Tab 4: Required Deliverables, 1.13., Page 21:

23) This section of the RFP states that the PLP solution should be designed to facilitate the sale of draw, electronic scratch tickets, and sports betting through the CGS vendor. In several U.S. jurisdictions that offer iLottery services, such as Michigan, the sale of draw and electronic scratch tickets are facilitated via a parallel CGS operated by the iLottery vendor. As such, would the Lottery please amend this requirement to state:

"The player loyalty program solution should be designed to facilitate the sale of draw, electronic scratch tickets, and sports betting through the CGS vendor and/or iLottery vendor, if that functionality is added at some point in the future (iLottery/Sports Betting)."

Item 1.13 under the section title "Tab 4: Required Deliverables" in Part VIII of the RFP is amended to read as follows:

1.13. The player loyalty program solution should be designed to facilitate the sale of draw, electronic scratch tickets, and sports betting through the CGS vendor and/or iLottery vendor, if that functionality is added at some point in the future (iLottery/Sports Betting).

Alternatively, if the CLC has selected a CGS vendor, would the Lottery please provide the name of the vendor and system?

The CLC has Scientific Games for the CGS vendor, utilizing the Aegis system.

Part VIII. Proposal Content Details, Tab 4: Required Deliverables, 1.13., Page 21:

24) Would the Lottery please confirm that this requirement is for the possible future integration of a CGS or iLottery/Sports Betting vendor to facilitate such offerings online, and does not imply that the Proposer should offer the ability for players to purchase such products as part of the PLP?

The CLC requires the Player Loyalty Program to have the ability to work in conjunction with a system that can perform iLottery and/or Sports Betting (This can include links to/from the iLottery/Sports Betting platforms, etc). If and when these options are legislatively approved, the CLC may, but shall not be required, to issue an RFP for those services.

Part VIII. Proposal Content Details, Tab 4: Required Deliverables, 1.15., Page 21:

25) Within this section of the RFP, the requirement states that social connectivity may include two-way communication between the CLC and players through social media. Can the Lottery please clarify what is meant by two-way communication?

The CLC envisions having the ability to post content through various social media channels integrated into the Player Loyalty Program, and players will have the ability to respond to those posts.

Part VIII. Proposal Content Details, Tab 5: Oral Presentation Outline, Page 23:

26) This section of the RFP requires Proposers to present an oral presentation outline with their proposals. Would the Lottery please provide the anticipated length of the oral presentation? Would the Lottery also confirm whether the outlines will be used to form an agenda for all Proposers to facilitate a balanced evaluation if more than one solution is presented?

The CLC plans on approximately 2 hours for each oral presentation. This time includes introductions, the presentation, and a Q&A session. Presentations may exceed this timeframe, if necessary, at the discretion of the CLC.

Part VIII. Proposal Content Details, Tab 5: Oral Presentation Outline, Page 23:

27) Does the Lottery expect that the oral presentation will also include a demonstration of the proposed solution? If a demonstration is preferred, would the Lottery please consider moving the timeline for presentations—as noted in Part II Definitions, and Proposal Contents and Instructions, B. Schedule of Certain Key Events and Deadlines—to a later date?

The presentation schedule will not be changed. If a Proposer would like to demonstrate an existing system, it is welcome to do so, but it is not required to customize its system for the demonstration with CT Lottery games, etc.

Attachment A: Proposer Information Form, Supplier Diversity Information, Page 26:

28) Would the Lottery confirm that the information provided as part of this form will be used solely to track its compliance with supplier diversity goals and is not a part of the overall evaluation?

Supplier diversity is a core CLC value. A Proposer's commitment to supplier diversity is a factor that the CLC will also evaluate.

RFP Part II

Section B, Page 4 – Schedule

29) Will the Lottery please provide a project launch date for the Player Loyalty Program?

See answer to question 17.

RFP Part VI

Section H, Page 11 – Indemnification

30) Will the CLC confirm that the indemnification by the Proposer against third party will not be required and Proposer will not be obligated to indemnity to the extent to which such harm or damage results from the CLC's, its officers', or employees' own negligence, willful misconduct or breach of the contract?

The CLC will review the successful Proposer's indemnification terms prior to the execution of the Contract.

Section M, Page 11 – Required Insurance

31) Will the Lottery accept being listed as a "loss payee" as opposed to an "additional insured"?

Yes, depending on the type of insurance.

32) The RFP states that the insurer must provide thirty (30) calendar days advance written notice to the CLC of any change in, termination of, failure to renew, default, or cancellation of coverage. Our policies state that the insurer will provide 90 days' notice to the insured. Will the Lottery accept 30 days' notice from insured as opposed to insurer?

See answer to question 30. The CLC will review the successful Proposer's insurance terms prior to the execution of the Contract.

RFP Part VIII

Tab 5, Page 23 – Oral Presentation Outline

33) The RFP states: "The CLC will determine the time and place of those oral presentations and give invited proposers at least two (2) Business Days' advance notice of the oral presentation date."

Will the Lottery please allow Proposers at least one weeks' advance notice of the oral presentation date, in order that Proposers can comply with company travel booking policies?

The language under the section title "Tab 5: Oral Presentation Outline" in Part VIII of the RFP is amended to read as follows:

Tab 5: Oral Presentation Outline

Proposers must present an outline of their approach to developing and launching the CLC player loyalty program. Proposers must submit a written version of their oral presentation outline, and must supply it on CD/flash drive format for the CLC's reference.

A Proposer may be invited to give an oral presentation of its Proposal. The CLC will determine the time and place of those oral presentations and give invited proposers at least five (5) Business Days' advance notice of the oral presentation date. A Proposer's failure to attend a requested oral presentation may disqualify it from further evaluation.