

STATE OF NEW HAMPSHIRE

New Hampshire Lottery Commission

REQUEST FOR INFORMATION FOR:
iLottery Vendor

ISSUED: September 2, 2022

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1. OVERVIEW

The New Hampshire Lottery (hereinafter referred to as the “Lottery”) is one of the most successful and profitable lotteries in the world. We were the first lottery in the nation, the fourth state in the United States to launch iLottery and have taken a leadership role in the industry. In 2019, the Lottery sued the Department of Justice after they changed their opinion on the Federal Wire Act and put millions in education funding at risk. Ultimately, the courts ruled in favor of the Lottery, preserving the new source of education funding for New Hampshire students. The Lottery has continued to grow our iLottery program by adding more draw-based games, more e-Instant games with a wider variety of playstyles, and updates to the iLottery platform to enhance the player experience. New Hampshire is proud to note it was number two per capita iLottery sales in fiscal year 2022.

The Lottery is issuing this Request for Information (RFI) inviting Vendors to submit their capabilities, vision and interests in the implementation of a full-service iLottery gaming system and ancillary services. These submissions will be referred to in this document as Vendor Information Packages.

The material provided as the result of this RFI will not constitute any type of bidding process by the Lottery but may be used for informational purposes only in the development of a Competitive Bid, which may or may not be conducted in the future. No contract will be awarded from this RFI.

This RFI is not intended to conflict with or usurp any existing or future contractual relationships between the Lottery and any vendor for any other form of gaming.

2. PURPOSE

The purpose of this RFI is to solicit an overview of iLottery vendor capabilities and perspective on iLottery trends, planned enhancements, and best practices for the years ahead.

As a leader in iLottery, the New Hampshire Lottery seeks an iLottery partner who will:

- Partner with the Lottery to bring innovation to responsibly grow revenue to fund education in New Hampshire;
- Implement an agile, flexible iLottery system that easily implements new games, promotions, bonuses and features whether from the system vendor or third-party companies;
- Provide a system that puts user-experience and security at the forefront of design;
- Offer strategic support to grow net revenue for iLottery and brick and mortar retail locations; and
- Offer efficient strategies that maximize Lottery Return on Investment (ROI).

3. BACKGROUND

NEW HAMPSHIRE LOTTERY MISSION STATEMENT

The mission of the New Hampshire Lottery Commission is to maximize revenues for aid to public education by providing secure and entertaining gaming products to its players. The commission’s dedicated staff recognizes that New Hampshire was the first state to offer a lottery in modern times and

that the lottery shall continue to be an industry leader by striving to exceed minimum industry standards and goals established for accounting, security, marketing, and game design. The mission of the Licensing and Enforcement Division of New Hampshire Lottery is to protect the interest of the public, while fulfilling the objective of gaming as a source of revenue for education in the state. This is accomplished by ensuring the integrity of legalized gambling through the enforcement of applicable laws and regulations, licensing of qualified individuals and entities as well as encouraging economic opportunities

NEW HAMPSHIRE iLOTTERY OVERVIEW

Revenues for the iLottery platform increased \$13.0 million or 121.0% for fiscal year 2022. This online service offers the ability to purchase both Powerball, Mega Millions, and Gimme 5 remotely within the State. It also offers an array of e-Instant (scratch-style) games through the website.

The current iLottery system is an enterprise model that offers 12 releases annually. It is a stand-alone system, and is not integrated with the current retail system. Roadmaps sessions begin 6 months before the start of the next fiscal year, with the annual plan penciled by late May for the next fiscal year.

House Bill 517 was signed into law in June 2017 allowing the Commission “to sell lottery tickets on the Internet and by mobile applications and create certain practices to address problem gaming in such sales.”

Internet Lottery (“iLottery”) was developed and launched in the first quarter of fiscal year 2019 on the Lottery’s website. Electronic games called e-Instants resemble scratch tickets and are available in demo mode for free play or money mode to play for cash prizes. When a player sets up their account, their location and age are verified; and deposits are limited to daily, weekly, and monthly maximums to encourage responsible gaming.

Access to money mode is strictly limited to within the physical borders of New Hampshire. Participants can set the value of their wager from \$0.02 to \$30 for e-Instants, and Powerball, Mega Millions, and Gimme 5 draw-based games can be purchased through iLottery for up to 20 consecutive drawings, or a player can choose Auto-Renewal, iLottery’s form of subscription play. In spring of 2020, NH Lottery contracted with additional gaming vendors to expand the library of games; and further integration of Tri-State and multi-state draw games to online purchase options is under development.

e-Instant GAME PORTFOLIO

The Lottery has a variety of different game types that are offered for sale. Information on each game type is below:

The cadence of e-Instant launches is every two weeks, and stays on the portal without removal, with limited exceptions. Repositioning a game on the portal from a less to more prominent slotting occurs to promote seasonality. Game types include retail-like single ticket games with traditional key number match, multi ticket, single ticket bonus round, multi ticket bonus round, cascade, single ticket multi feature, progressive, linked progressive, and expander. In New Hampshire, games with bonus rounds offer guaranteed wins.

[iLottery Games | New Hampshire Lottery \(nhlottery.com\)](https://www.nhlottery.com)

SALES HISTORY

[NH Lottery FY21 Annual Report \(nhlottery.com\)](https://www.nhlottery.com)

INITIATIVES

The past two fiscal years and current fiscal year focused primarily on integrating a third-party e-Instant vendor, launching additional draw-based games, as well as building integrations for the NHLC's mobile application. Other enhancements included additional bonus types, payment methods and Auto-Renewal. For Fiscal Year 2023, the NHLC's roadmap includes the launch of an additional draw-based game (Tri-State Megabucks), iLottery points economy integration within the mobile application, retail affiliate pilot program, winner's ticker, and user experience enhancements.

The NHLC's goal is to offer all retail draw games through iLottery on a single draw to Auto-Renewal option, excluding Keno. Other goals include buildout of retail to iLottery payment methods, robust bonusing programs, ad-hoc reporting, more player-centric enhancements to provide ease of use and enhanced security, and more data driven metrics, as well as iLottery play within the app.

4. OBJECTIVES

The Lottery has the following objectives for issuing this RFI regarding the implementation of a turnkey iLottery Gaming System:

- Understand emerging iLottery and digital opportunities, strategies, and technologies.
- To obtain industry best practice information to facilitate an informed and successful RFP process, if an RFP is issued, and to encourage a competitive process among vendors.
- Get vendor perspective on preparing a competitive iLottery procurement that maximizes ROI for the Lottery and the vendor partner.
- To obtain information and gain additional perspective on hardware, software, supporting systems, and services that are operationally sound, incorporate the highest level of integrity and security, and minimize risk for the Lottery, while generating revenue and ensuring customer satisfaction for quality and performance.
- To obtain information and gain additional perspective on ways in which an iLottery gaming system may be open and flexible to meet evolving needs and requirements and more swiftly capitalize on market opportunities.
- Obtain information and solutions that will lead to high standards for player satisfaction and be designed to meet the Lottery's evolving needs and the needs of the dynamic and increasingly popular iLottery environment in a responsible manner.
- Obtain information to enhance existing retail partnerships and generate new partnerships with the Lottery to cross-promote product lines and ensure mutual growth.
- Obtain information on opportunities for omni-channel solutions, new game types, loyalty programs and integrations that enhance partnerships with 3rd parties.
- Obtain insightful, strategic reporting and support that will enable the NHLC to achieve its strategic and financial objectives.
- To realize new ways of protecting our players, whether it be through new and different responsible gaming opportunities, player verification solutions, or banking integrations.

- To understand new opportunities in iLottery games, from multi state draw, e-Instant or raffles, to other yet to be presented options that provide players unique opportunities and levels of engagement.
- To understand payment options that put the player front of mind, offering options to players that are convenient, expeditious and secure, and provide them ease of use.
- Explore trends and best practices in Responsible Gaming to safeguard players and consumers.

5. RFI VENDOR QUESTIONS

Keeping the NHLC's Purpose and Objectives front of mind, provide the Lottery with information, examples, and insight for the following topic areas.

5.1. Vendor Introduction

Please provide a brief introduction on your organization and iLottery experience.

5.2. iLottery Gaming System

Please provide an overview of your iLottery Gaming System including capabilities, architecture, and features.

5.3. System Development Details

Please provide information including, software development lifecycle (SDLC) and integration capabilities. Please discuss your process for quality assurance testing, validation, version control and deployment of game components and packages.

5.4. Game Design and Support

Please provide information including your game development experience, game offerings, third-party integrations vision, resources and processes. Please describe your ability to meet lottery game delivery schedules while maintaining quality.

5.5. Player Portal

Please provide information on the player user-interface, including the technology that supports it, your philosophy on UX, player security and ADA features.

5.6. Security and Compliance

Please provide information including Know Your Customer capabilities, geolocation services and options, anti-money laundering policies, security and data controls for back-end system access and player data protection.

5.7. Service Level Agreements (SLA)

What SLAs should we include? What process for assessing and contesting Liquidated Damages? Would you recommend independent moderation of Liquidated Damages?

5.8. Data and Reporting

Please define standard reporting available including timing and frequency of reports, as well as business intelligence and analytics tools. Information provided should support each business area that utilizes reports, from ICS, marketing, finance, responsible gaming, games, security and more.

5.9. Finance and Payments

Provide an overview including player payment options, withdrawal timelines and automation and manual processes.

5.10. Marketing & Promotions

Please provide information about your customer acquisition, retention and engagement strategy and experience. How you utilize data within your marketing programs? Describe your system's capabilities to support marketing, bonusing and player experience.

5.11. Staffing, Customer Service and Support

Please provide information including the staffing support in each critical area that is included, as well as staff augmentation and add-ons that are established and offered to Lotteries.

5.12. Responsible Gaming

What is your experience and what Responsible Gaming tools do you currently offer? What new tools should NHLC consider? What level of responsible gaming certifications do you have, and do the states you support have?

5.13. Overall Business Goals

Describe your vision for iLottery at the NHLC, how you foresee a partnership to build secure and responsible growth, provide exceptional support and UX to the players, provide exciting product enhancements, while surprising and delighting the players.

5.14. Pricing

How do you propose the NHLC structure pricing for the gaming system, staff augmentation, development hours, third-party game providers, and licensed properties?

5.15. Additional Information

As the NHLC readies to prepare an RFP, what additional information, capabilities, and support should we consider? Is there a subject area you believe we missed that you would like to address? Please take the opportunity to highlight subject areas, processes, technology, methodology, approach or the like that you believe the NHLC should consider, and why, for inclusion in its upcoming RFP.

6 PROCESS

CONTACT PERSONS

The Lottery is the sole point of contact about all matters relating to this RFI. The Lottery's main contact person ("Contact Person") is designated below. Please note that the Lottery hereby reserves the right to clarify, modify, amend, alter, or withdraw the requests or any information contained in this RFI.

All communications concerning this solicitation of a full-service Lottery Gaming System or services the vendor wishes to provide, must be addressed to the main Contact Person, and be submitted electronically via email:

Jay Lau
Data and Product Manager
EMAIL: jay.r.lau@lottery.nh.gov

If the communication concerns Lottery rules, procedures, licensing agreements, or other operating and management issues, the initial written communication should be directed to the following:

Jay Lau
Data and Product Manager
EMAIL: jay.r.lau@lottery.nh.gov

SCHEDULE

The following dates are set forth for informational and planning purposes. The Lottery reserves the right to change any of the dates. If changes are made, those Vendors receiving the original RFI will be contacted.

EVENT	DATE
RFI Issued	September 2, 2022
RFI Inquiry Period Ends	September 15, 2022
Submission of Vendor Information Packages	September 29, 2022
RFI Presentation Request	October 11, 2022
Vendor Presentations	October 25, 2022

SUBMISSION FORMAT AND PRESENTATION

Submissions should be sent electronically to Jay Lau at jay.r.lau@lottery.nh.gov. Submissions should be in PDF format. You will get a confirmation of the receipt of the submission.

Selected Vendors may be offered an opportunity to present their capabilities and technology virtually. Vendors will be provided a window of up to 60 minutes for presentations, with an additional 30 minutes for questions and answers from Lottery staff.

Vendors selected to present will be given the opportunity to share their vision, capabilities and technology in person and discuss the opportunity with Lottery staff. Expanded information on the topics in the Vendor Information Package, additional services offered relating to a full-service iLottery Gaming System review, and demos player interface, reporting and ancillary services (e.g., Bonusing, Claims and payments, etc.) should be included in the presentations.

INQUIRIES

Vendors may make inquiries regarding this RFI anytime during the inquiry period listed in the Schedule. To make an inquiry, send questions to Jay Lau at jay.r.lau@lottery.nh.gov. All questions (without reference to the vendor that submitted it) and answers will be shared with all vendors within five business days after the end of the inquiry period.

7 RFI OBLIGATIONS

This RFI is a request for information only and is not a solicitation to provide goods and services to the Lottery. There will be no contract awarded because of this RFI. Nothing in the Vendor Information Packages, or in the Lottery's remarks or responses to the Vendor Information Packages or any individual vendor will be considered to be an offer, nor result in a binding obligation on behalf of the Lottery to engage the vendor, should the Lottery subsequently determine to adopt or incorporate a vendor's approach, process or recommendation as contained in a vendor's RFI response. Nothing in this RFI shall limit or preclude the Lottery from purchasing other services, equipment etc., for use as an integral part of a Lottery gaming system or peripherals associated therewith. The NH Lottery reserves the right to modify the RFI at any time

The Lottery reserves any and all rights to solicit additional information, research relevant industry information and or discuss industry trends as it may determine is in the best interest of the Lottery and the State of New Hampshire. Further, the Lottery reserves the right to withdraw this RFI at any time and makes no representation with respect to any potential future engagements.

This RFI does not commit the Lottery to publish an RFP or award a contract for the services discussed in this RFI. The issuance of an RFP as a result of the information gathered in these responses is solely at the discretion of the Lottery. If an RFP is issued, it will be open to all qualified respondents, whether those respondents choose to submit a response to this RFI. This RFI is not a pre-qualification process.

RESTRICTIONS ON COMMUNICATIONS WITH LOTTERY STAFF

All inquiries concerning this RFI shall be submitted via email to the RFI Points of Contact previously identified. Other Lottery personnel are not authorized to discuss this RFI before the submission deadline. Official responses by the Lottery will be made only in writing by the process described in this RFI. The Lottery will not be held responsible for oral responses regardless of the source.

COSTS ASSOCIATED WITH SUBMISSION

Neither the Lottery nor the State of New Hampshire shall be liable for any of the costs incurred by a Vendor in preparing or submitting a Vendor Information Package, including, but not limited to preparation, copying, postage and delivery fees, and expenses associated with any demonstrations or presentations which may be offered or accepted as a result of the RFI.

Each Vendor Information Package should be prepared simply and economically, providing a straightforward, concise description of the Vendor's ability. Emphasis should be on completeness and clarity of content.

DISCLOSURE OF VENDOR INFORMATION PACKAGE CONTENTS

Any information submitted as part of a response to this RFI may be subject to public disclosure under RSA 91-A. Business financial information and proprietary information such as trade secrets, business and financials models and forecasts, and proprietary formulas may be exempt from public disclosure under RSA 91-A:5, IV.

If you believe any information being submitted in response to this RFI should be kept confidential as financial or proprietary information; you must specifically identify that information in a letter to the Lottery, and must mark/stamp each page of the materials that you claim must be exempt from disclosure as "CONFIDENTIAL". A designation by the Vendor of information it believes exempt does not have the effect of making such information exempt. The Lottery will determine the information it believes is properly exempted from disclosure.

If a request is made to the Agency to view portions of a submission that the Vendor has properly and clearly marked confidential, the Lottery will notify the Vendor of the request and of the date the Lottery plans to release the records. By submitting a response to this RFI, Vendor agrees that unless the Vendor obtains a court order, at its sole expense, enjoining the release of the requested information, the Lottery may release the requested information on the date specified in the Lottery's notice without any liability to the Vendor.

MULTIPLE VENDOR INFORMATION PACKAGES NOT ALLOWED

A Vendor may submit a single Vendor Information Package only. Within the single Vendor Information Package, the Vendor may identify a wide range of solicited and unsolicited products, services, features, options, and substitutions that the Vendor believes may be appealing and useful to the Lottery.

OWNERSHIP OF MATERIALS

Except as specifically provided below, ownership of all documentary material originated and prepared for the Lottery pursuant to this RFI shall belong exclusively to the Lottery. Thus, all documents submitted may be returned only at the option of the Lottery. The Lottery reserves the right to use all information contained in a Vendor Information Package to the extent permitted by law, including, but not limited to, draft an RFP relating to an iLottery Gaming System.

By submitting a response, the Vendor agrees that the NH Lottery may copy the response information for purposes of facilitating review or to respond to requests for public records. Vendor consents to such copying by submitting a response and warrants that such copying will not violate the rights of any third party. The NH Lottery will have the right to use ideas or adaptations presented in the responses.

The NH Lottery reserves the right to reject any and all responses to this RFI, in whole and in part, at any time. This RFI is not intended to be comprehensive, and each Vendor is responsible for determining all factors necessary for submission of a comprehensive response and a complete service capability demonstration. The RFI response and demonstration will not be subject to a Request for Proposal (RFP) type evaluation but only to a review of suggested performance, costs of services offered, and abilities to perform services

The Vendor will retain ownership of all intellectual property and tangible goods associated with the Vendor's presentation of their product and service capabilities.

PRODUCTS AND SERVICES

The Vendor is requested to provide information regarding the types of products and services they may be likely to offer the Lottery relating to an iLottery Gaming System. Vendors may describe a

comprehensive set of products and services or may address only the specified areas of products and services.

All inquiries regarding this request for information shall be submitted as described above.