

Arkansas Scholarship Lottery Personnel Committee
FINAL DRAFT RECORD
9.12.2011

The meeting was called to order by Commissioner George Hammons, Chair, who noted the presence of Commissioners Steve Faris and Raymond Frazier, and Commissioner Patty Shipp by teleconference. Director Ernie Passailaigue and staff members David Barden, Julie Baldrige, Bishop Woosley, Michael Hyde, Valerie Basham and Patti Vick were also present.

Commissioner Hammons began by noting that the structure of the meeting would be somewhat out of the ordinary, stating that he and other members of the committee wanted to get a sense of how the personnel structure of the ASL organization functioned. He added that he was excited that Joanna Buntin, ASL Advertising Director, had agreed to present an overview of the Advertising Department for the committee (PowerPoint presentation is on file).

Ms. Buntin began by introducing herself and stating that she is responsible, along with David Barden, for overall advertising strategy, which includes advertising via television, radio, point-of-sale--all points of communication with ASL players.

She gave a brief overview of the advertising staff and their responsibilities:

Michael Taylor, Animator: Responsible for television and website animation and logo design. Animation is produced in-house at small cost.

Stephen Koch, Copy Editor: Responsible for television and radio scripts, ASL monthly retailer newsletter, and proofing and editing all advertising material.

Amber Tyler Fiser and Rosi Solano, Graphic Specialists: Responsible for designing in-store signage, logos, billboards, website graphics, and other print materials.

Matt Johnson, Producer: Responsible for radio and television production and traffic distribution.

Elizabeth Arnold, Promotions Coordinator: Responsible for retail events and special promotions.

She stated that one of her responsibilities is to work with the contracted advertising agency The Communications Group (TCG) to develop a media plan. She then passed out maps of television media coverage. She noted that there are 16 vinyl billboards and 3 electronic boards throughout the state. She added that ASL radio advertising covered 51,000 30-second spots on 120 stations, and almost 25,000 spots on 34 stations.

Commissioner Hammons asked why there appeared to be very little media coverage throughout southeastern Arkansas. Ms. Buntin replied that it is harder to cover those areas through regular television because ASL would have to use Louisiana and Memphis TV stations, which would be cost-prohibitive. She explained that ASL advertises in that area through cable television and smaller radio stations.

Ms. Buntin gave some statistics for television advertising:

- approximately 13,000 30-second spots on 10 television stations
- approximately 160,000 30-second spots on cable television, reaching over 500,000 homes in 111 cities and towns, throughout 45 counties

Ms. Bunten noted that ASL has a small studio, the proper equipment, and a talented staff, which enables ASL to produce most of the television and radio spots in-house at a very low cost. She said that of 20 television spots produced in FY 2011, 16 were done in-house, and of 39 radio spots created, all of those were produced in-house.

Director Passailaigue asked Ms. Bunten about the Decades of Dollars ad that ASL recently ran. Ms. Bunten replied that the Kentucky Lottery permitted our use of their original Decades of Dollars ad free of charge, other than editing costs.

Commission Hammons asked Ms. Bunten what the rules were regarding ASL use of the media contractor (TCG) and further asked if the nature of ASL's contract with TCG had changed. David Barden responded to Commissioner Hammons' question, stating that the contract itself had not changed, but that the services ASL uses under the contract have changed. He added that there is a "laundry list" [in the contract] of services ASL could use, but because the ads can now be done in-house, ASL does not need those services of the contractor. He used as an example the cost of an animated spot, which can run between \$15,000 to \$20,000 if done by the contractor and which, in contrast, costs ASL approximately \$1,000 when done in-house. He cited time as being another benefit of creating in-house; if contracted out, a spot may take 4 months to complete; in-house it might take 2-3 weeks.

Ms. Bunten continued with her presentation, providing the following information:

- ASL graphics department creates signage for Play Stations, as well as brochures and wallet cards. Approximately 9,500 of these are sent every month to the ASL MSR's (Marketing Sales Representatives), who then distribute the pieces to retailers. The graphics department also creates window clings, jackpot stickers, and oversized checks.
- The ASL Monthly newsletter, distributed to lottery retailers, includes information on upcoming games, marketing initiatives, sales tips, ending games, etc.
- Retail promotions: Elizabeth Arnold executed over 100 retail promotions during FY 2011 throughout Arkansas, averaging 3 events per week (a list of promotions are on the ASL website).
- The advertising department is responsible for the ASL website (myarkansaslottery.com), updating graphics and designing web pages, working with ASL's IT Gaming department for pulling winning numbers and jackpot feeds. ASL designed the website to be very user-friendly "on the back-end", able to be updated by in-house staff, as there is no web developer in-house.
- There are 500,000 monthly visits to the ASL website.
- Visitors spend an average of 11 minutes on the Points for Prizes portion of ASL website.
- iPhone application: Users can check winning numbers for online games, find lottery retailers, access the Players Club, and receive "push" notifications (players are notified when winning numbers are released and the winning numbers "pop up").

Commissioner Frazier asked Ms. Bunten what would happen to her department if she decided to leave [ASL employment]. She responded that not only is her boss David Barden able to perform all of her duties, but that her staff is cross-trained. The only job that would need to be out-sourced would be animation, because there is only one person on staff with those qualifications. David Barden interjected that a good animator is very hard to find, and that ASL is very lucky to have on staff Michael Taylor, who received his training at the Savannah College of Art and Design.

Ms. Bunten concluded her presentation and asked if there were additional questions. Commissioner Hammons asked how her department got its ideas. She explained that she usually first meets with David Barden to determine objectives and overall goals. Then the staff gathers into a room and they throw ideas back and forth – they also brainstorm, write storyboards, and start the animation process.

Commissioner Hammons asked if there was ever any sense of how effective the productions may or may not be. Ms. Bunten replied that it was very difficult to determine, with so many other factors being involved. She added that the staff did, however, get feedback, which is included as part of the ASL website.

Commissioner Faris thanked Ms. Bunten for a very informative meeting and complimented Ms. Bunten and her staff for doing an excellent job.

Commissioner Hammons proceeded to Other Business.

Commissioner Faris moved to adopt the record of July 28, 2011 (with revisions of 8-15-2011). Commissioner Hammons seconded the motion, and the record with revisions was adopted for inclusion in the packet of the next commission meeting.

Commissioner Shipp stated that she would like to follow up on the Personnel Committee meeting of July regarding staff hiring recommendations. She asked if the Security Specialist position had been filled. Director Passailaigue responded that the position had been filled by a staff member, but that now the staff member's previous position was vacant. He added that the vacant position information had been sent to OPM, but that OPM had not responded to date. He directed ASL HR Director Valerie Basham to follow up with OPM for the status of the vacant position.

Commissioner Shipp then asked about the hiring requests that were not approved during the July meeting, specifically HR Generalist and Marketing/Product Development Director. She asked if those positions had died, or if the positions would need to be revisited at some future date. Director Passailaigue suggested that since there was a retreat scheduled, it would be a good time to review the ASL organization chart, show the Commissioners how the organizational chart fits together, and address what skill sets ASL needs to fill. He further stated that ASL would appreciate guidance from the Commission regarding those positions.

Commissioner Faris asked that the Commission also receive an update on cross-training during the retreat.

Commissioner Hammons thanked Ms. Bunten for an excellent presentation and concluded the presentation phase of the meeting.

The meeting moved to the 14th floor, where the Commissioners received a tour of Advertising and Marketing spaces, and the meeting adjourned after the tour.