

2021
MINORITY
BUSINESS
PARTICIPATION
IN THE
GEORGIA LOTTERY
DECEMBER 2021





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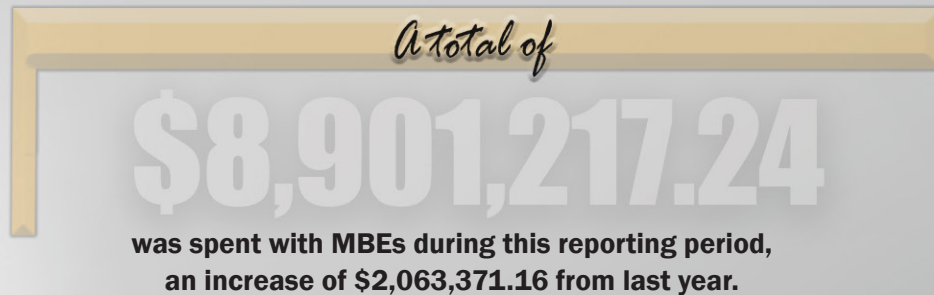


Introduction

Since its inception in 1993, the Georgia Lottery Corporation (“GLC” or “Corporation”), as a responsible citizen of the corporate and government communities, has engaged in a concerted effort to ensure the fair involvement of minority business enterprises (“MBEs”) in its operations. By maintaining a systematic record of these practices, the GLC is able to monitor the success of these programs. Pursuant to Section 14 of the Georgia Lottery for Education Act (Official Code of Georgia §50-27-1, et seq., as amended) the GLC will “report the results of minority business participation to the Governor (of Georgia) at least on an annual basis.” The GLC Board of Directors and employees are pleased to present this report documenting the scope of minority business participation in GLC operations for the period October 1, 2020 through September 30, 2021.

The GLC and Minority-Owned Businesses

The GLC's purchasing or procurement process continues to provide a major opportunity for the involvement of minority businesses. Expenditures by the GLC with minority businesses can be divided within two (2) categories: a) direct procurement opportunities with the GLC; and b) subcontracts with the GLC's major vendors. A total of \$8,901,217.24 was spent with MBEs during this reporting period, an increase of \$2,063,371.16 from last year.



To conduct its corporate operations, the GLC regularly purchases products and services utilizing several MBEs as providers. During the 2021 reporting period, a total of \$566,367.39 was spent by the GLC directly with minority-owned businesses in Georgia. Figures do not include lease payments, subscriptions, utilities, taxes, investment banking services and payments to governmental entities.

Partnering with the GLC's major procurement vendors provides many contracting opportunities for minority businesses. The GLC currently has three (3) major procurement contractors: BBDO Atlanta for advertising services; IGT Corporation ("IGT") for online lottery gaming services; and Scientific Games Corporation ("Scientific Games") for instant ticket printing and distribution services. Since 1993, over \$250,222,494.92 has been paid to MBEs for products and services.



During the current reporting period, MBEs received a total of \$8,334,849.85 out of the total dollars spent with the three (3) major procurement contractors. IGT was the largest major contractor of MBEs; its minority subcontractors were paid a total of \$4,431,909.00 for services rendered. BBDO Atlanta advertising agency sent \$3,480,947.76 to its minority subcontractors and minority-owned media. Scientific Games procured a total of \$421,993.09 from its minority subcontractors.

The GLC and Minority-Owned Retailers

The GLC's mission is to maximize revenues for the Lottery for Education Account through the sale of entertaining lottery tickets. Retailers throughout the state partner with the Corporation to promote and sell lottery products. The GLC's sales division continually recruits new corporate and independent retail outlets to help achieve its mission of increasing profits for Georgia's HOPE Scholarship and Pre-K Programs. The contributions of these outlets, or retailers, have been an important factor in the success of the GLC.

For the 2021, reporting period, the GLC enjoyed contracting relationships with a total of 8,743 retailer accounts. Of that total number, an estimated 3,290 retailers have identified themselves as minority-owned or controlled by a member of an ethnic minority group. Almost half of all retailers did not identify their ethnicity on their retailer application.

Almost half of all retailers did not identify their ethnicity on their retailer application. Of all minority retailers, 3,084 (93.7%), identified themselves as members of the Asian American population. Our records reflect that African Americans compose the second largest ethnic group of minority retailers, with 147 outlets (4.5%) of all identified minority retailers. Hispanic American retailers represented less than two percent (1.5%) of minority retailers, and Native Americans were less than one percent (0.3%) of all

GLC Retailer Network

(October 1, 2020 through September 30, 2021)

Not Given	4,110
Non-Minority	1,343
Asian American	3,084
African American	147
Hispanic	48
Native American	11

Percentages

Not Given	47%
Minority	38%
Non-Minority	15%

GLC Employment

The Georgia Lottery Corporation, an equal opportunity employer, posts its employment opportunities on the Georgia Lottery website at www.galottery.com under the “about us”



The GLC generated over \$6.034 billion in gross sales and \$1.545 billion in profits in Fiscal Year 2021, with an employee population of only 361 employees statewide.

Within the Georgia Lottery’s employee base, 256 persons (71%) are members of ethnic minority groups, and 212 persons (58.7%) are women.

In 1996, the GLC’s Board of Directors formally adopted the Corporation’s Equal Employment Opportunity Policy (“Policy”). This policy incorporates fair standards for the hiring and promotion of employees at the GLC.

During the reporting period of this document, nineteen individuals comprised senior management. Of these nineteen individuals, eight were minorities and six were women.

Of the sales force, 61 percent are minorities and 37 percent are women.

Of the non-sales staff, 76 percent are minorities and 49 percent are women.

GLC Employee Ethnicity Breakdown

African-American 239 (66.2%)

White 106 (29.4%)

Asian 8 (2.2%)

Hispanic 6 (1.7%)

Unspecified 2 (0.6%)

GLC Employee Gender Breakdown

Total Females – 212 (58.7%)

Total Males – 149 (41.3%)

Total Population – 361

Community Events

The Georgia Lottery's (GLC) Marketing & Promotions department continues to support the company's mission through sponsorship of events and promotional activities that expose our brand, products, and the company's continuous commitment to education. Over the past year, we have limited onsite participation in events and transitioned our focus to digital virtual promotions. Support of minority-sponsored events are important to the Georgia Lottery Corporation. The Georgia Lottery is proud to partner with the following minority events:



Atlanta Dream WNBA- Women's Basketball -\$50,000 HBCU College Day – Clark Atlanta University- \$35,000

In addition to the events listed above, the GLC proudly employs several minority freelancers to produce various marketing and promotional materials, including on-site graphics, videos, logos, POS, etc. Those freelancers have included outstanding talents, such as:

- Jessica Dodd – Freelance Graphic Designer
- Aaron Faulkner– Freelance Videographer
- Ty Andrews– Freelance Graphic Designer
- Trinh Do– Freelance Video Animator
- Justin Stafford– Freelance Video Animator and Graphic Designer

Minority freelance marketing opportunities contact Larry Small at lsmall@galottery.org

General Inquiries about GLC corporate event sponsorships contact Chanda J. Brown at cbrown@galottery.org

Atlanta Metro/Augusta/Savannah area event sponsorships contact Lawrence Hunter at lhunter@galottery.org

Columbus/Dalton/Duluth/Macon area event sponsorships contact Brandon Lewis at blewis@galottery.org

For sponsorship consideration, please send proposals to sponsorships@galottery.org

Conclusion

The Georgia Lottery Corporation continues to fulfill its statutory mission by generating revenues for selected educational programs in Georgia through the operation of an efficient, well-run enterprise. Since inception, the Georgia Lottery has raised more than \$24.2 billion for specific educational programs in Georgia. These programs have benefited more than 2 million HOPE recipients and 1.6 million Pre-K students throughout the state of Georgia. The GLC's partnerships with MBEs are an important factor in its success. The GLC continues to actively recruit minority-owned retailers to sell our products, and strongly supports and encourages the participation of minority business enterprises in its procurement process.

Georgia Lottery Corporation

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