



2022

MINORITY BUSINESS PARTICIPATION



IN THE GEORGIA LOTTERY

DECEMBER 2022

Table of CONTENTS

Introduction	2
Minority-Owned Businesses	3
Minority-Owned Retailers	4
Employment	5
Community Events	6
Conclusion	7



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 can 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, 2021, through September 30, 2022.

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 \$7,976,553.66 was spent with MBEs during this reporting period.

To conduct its corporate operations, the GLC regularly purchases products and services utilizing several MBEs as providers. During the 2022 reporting period, a total of \$557,825.18 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 most of the contracting opportunities for minority businesses. The GLC currently has three (3) major procurement contractors: BBDO Atlanta for advertising services; IGT Corporation ("IGT") for on-line lottery gaming services; and Scientific Games Corporation ("Scientific Games") for instant ticket printing and distribution services. Since 1993, over \$258,199,048.58 has been paid to MBEs for products and services.

During the current reporting period, MBEs received a total of \$7,418,728.48 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 \$4,617,684.00 for services rendered. BBDO Atlanta advertising agency sent \$2,213,821.65 to its minority subcontractors and minority-owned media. Scientific Games procured a total of \$587,222.83 from its minority subcontractors.

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with MBEs during this reporting period.**

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.

GLC Retailer Network (October 1, 2021, through September 30, 2022)

Not Given	4,023
Non-Minority	1,430
Asian American	3,086
African American	136
Hispanic	47
Native American	9

Percentages:

Not Given	46%
Minority	38%
Non-Minority	16%

3,278 retailers have identified themselves as minority-owned or controlled by a member of an ethnic minority group

For the 2022, reporting period, the GLC enjoyed contracting relationships with a total of 8,731 retailer accounts. Of that total number, an estimated 3,278 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.

Of all minority retailers, 3,086 (94.1%), 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 136 outlets (4.1%) of all identified minority retailers. Hispanic American retailers represented less than two percent (1.4%) of minority retailers, and Native Americans were less than one percent (0.3%) of all minority retailers.

The GLC and Employment

The GLC generated over \$5.79 billion in gross sales and \$1.47 billion in profits in Fiscal Year 2022, with an employee population of only 365 employees statewide.

Within the Georgia Lottery's employee base, 255 persons (70%) are members of ethnic minority groups, and 208 persons (57%) 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, 12 individuals comprised senior management.

Of these 12 individuals, seven were minorities and five were women.

Of the sales force, 56 percent are minorities and 34 percent are women.

Of the non-sales staff, 75 percent are minorities and 60 percent are women.

GLC Employee Ethnicity Breakdown

African-American	240 (65.8%)
White	108 (29.6%)
Asian-American	8 (2.2%)
Hispanic	7 (1.9%)
Unspecified	2 (0.5%)

Total Population 365

GLC Employee Gender Breakdown

Total Females	208 (57%)
Total Males	157 (43%)

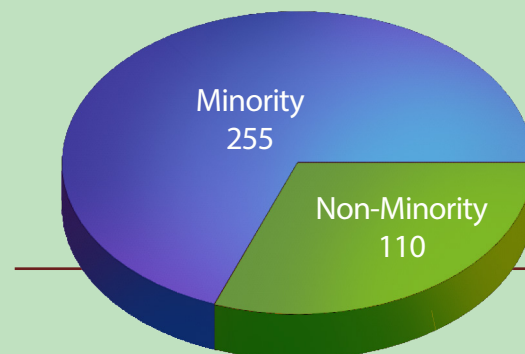
Total Population 365

Georgia Lottery Employees

(October 1, 2021, through September 30, 2022)



Ethnic Diversity



Community Events

The Georgia Lottery Corporation's (GLC) Marketing & Promotions department continues to support the company's mission through various partnerships and promotional campaigns that expose our brand, products, and the company's continuous commitment to education in Georgia through the Georgia-Lottery funded HOPE Scholarship program. Minority partnerships and events are very important to the Georgia Lottery Corporation. The GLC is proud to have maintained long-standing relationships with the following minority organizations:

- Atlanta Dream WNBA- Women's Basketball (Sponsor of HBCU Night)
- Fountain City Classic (HBCU Football Classic featuring Fort Valley University and Albany State University)

In addition to the partnerships listed above, the GLC proudly employs minority freelancers to produce various marketing and promotional materials, including animations and videography. Those freelancers have included outstanding talents, such as Aaron Faulkner– Freelance Videographer and Trinh Do– Freelance Video Animator.



For general information about:

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

General Inquiries about GLC sponsorships contact Chanda J. Brown at cbrown@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 \$25.7 billion for specific educational programs in Georgia. These programs have benefited more than 2 million HOPE recipients and 1.7 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.

Board of Directors

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Carol "Missy" Burgess, Vice-Chair

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Georgia Lottery Corporation

250 Williams Street, Suite 3000

Atlanta, GA 30303

Telephone: 404-215-5000