

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS LOTTERY COMMISSION
AUSTIN, TEXAS
BINGO ADVISORY COMMITTEE MEETING

OCTOBER 12, 2022

2:30 p.m.

AT

STEPHEN F. AUSTIN STATE OFFICE BUILDING
1700 Congress Avenue, Room 170
Austin, Texas 78701

Proceedings reported by electronic sound recording;
transcript prepared by Verbatim Reporting & Transcription
LLC.

APPEARANCES

COMMITTEE MEMBERS:

William T. Smith III (Trace), Chairman

Will Martin (Not Present)

Tommy Duncan, Jr.

Melodye Green

Emile Bourgoyne

Corey Harris (Not Present)

Jason Pohl

Michael Anastasio

COMMISSION STAFF:

LaDonna Castañuela, Director of Charitable Bingo Operations

Tyler Vance, Assistant General Counsel

PUBLIC:

Tom Stewart, Texas Charity Advocates

Kimberly Kiplin, Esq.

Steve Bresnen, Bingo Interest Group

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P R O C E E D I N G S

WEDNESDAY, OCTOBER 12, 2022 (2:30 p.m.)

AGENDA ITEM 1

CHAIRMAN SMITH: All right. If we'll go ahead and get started here. This is the Bingo Advisory Committee meeting for the Texas Lottery Commission, October 12th. We'll start this at 2:31.

We have several people on the phone today and we are trying to make sure everybody on the phone hears this, so if you could please keep your noise to a minimum. And if you're on the phone, if you're not speaking, if you could please mute your phone so we don't get any background noise.

We'll go ahead and call order first. But before we do that, Commissioner Fields, were you able to dial in?

(No response)

CHAIRMAN SMITH: No? Okay. All right. We'll go ahead and call order.

AGENDA ITEM 4

CHAIRMAN SMITH: Emile Bourgoyne?

MR. BOURGOYNE: Here.

CHAIRMAN SMITH: Melodye Green?

MS. GREEN: Here.

CHAIRMAN SMITH: Jason Pohl?

MR. POHL: Here.

1 CHAIRMAN SMITH: Tommy Duncan?

2 MR. DUNCAN: Here.

3 CHAIRMAN SMITH: Veronica Uriegas?

4 MS. URIEGAS: Here.

5 CHAIRMAN SMITH: Will Martin said he will not
6 be calling in today. He's got some personal things to
7 handle. So he will not be here. Corey Harris?

8 (No response)

9 MR. BOURGOYNE: That's odd.

10 CHAIRMAN SMITH: Corey? There?

11 (No response)

12 CHAIRMAN SMITH: Nope. All right. Okay.

13 We'll go ahead and start off the -- we've got
14 two absent -- sorry. We'll -- showing two absent, Corey
15 Harris and Will Martin.

16 MR. BOURGOYNE: Michael Anastasio.

17 MS. GREEN: Michael.

18 CHAIRMAN SMITH: Michael Anastasio, are you
19 there?

20 MR. ANASTASIO: This is Mike Anastasio, I'm
21 here.

22 UNIDENTIFIED VOICE: Who?

23 MS. GREEN: Who's that?

24 UNIDENTIFIED VOICE: Michael, is that you?

25 MR. ANASTASIO: Yes, that's me.

1 CHAIRMAN SMITH: Okay, excellent. All right.
2 Thank you, Michael. Sorry about that.

3 AGENDA ITEMS 2 AND 3

4 Okay. We're going to start the meeting with
5 the American Pledge, followed by the Texas Pledge. Go ahead
6 and do that.

7 (Pledges recited)

8 CHAIRMAN SMITH: All right. We certainly miss
9 Mr. Will Martin today. That is for sure. All right.

10 AGENDA ITEM 5

11 CHAIRMAN SMITH: We've already done roll call.
12 Meeting minutes from the August 10th, 2022 meeting. Those
13 have been published, the transcripts have. Any questions or
14 comment relating to those?

15 MR. BOURGOYNE: I'll move -- waive the reading
16 and approve the minutes.

17 CHAIRMAN SMITH: Okay. We have a motion to
18 approve the minutes as published.

19 MS. GREEN: Second.

20 CHAIRMAN SMITH: We have a second. All in
21 favor; aye.

22 (Chorus of "ayes")

23 CHAIRMAN SMITH: Any opposed?

24 (No responses)

25 CHAIRMAN SMITH: Okay. Motion carries. All

7
1 right.

2 AGENDA ITEM 6

3 CHAIRMAN SMITH: Item number six. Corey, did
4 you -- were you able to dial in?

5 (No response)

6 CHAIRMAN SMITH: Okay. Corey must be having
7 technical difficulties, so we will table that and move that
8 to the next meeting.

9 AGENDA ITEM 7

10 CHAIRMAN SMITH: Item number seven, shutter
11 card bingo systems; Kim Kiplin. Also, if you're going to be
12 speaking from the public, you have to come up to the stand
13 for the microphone to be able to get through to everybody.

14 MS. KIPLIN: Good afternoon. Is it on?

15 CHAIRMAN SMITH: Yes, ma'am.

16 MS. KIPLIN: Okay. Good afternoon. For the
17 record, my name's Kimberly Kiplin. I'm an attorney here in
18 Austin. I represent the petitioners, three distributors in
19 the petition for rulemaking for rules for shutter card bingo
20 systems. Just -- this is just going to be an update.

21 If you'll recall, the Bingo Advisory Committee
22 supported recommending to the Commission to initiate
23 rulemaking at the August, I believe it was the August 22nd
24 commission meeting. It was an item on the -- an earlier
25 August meeting, but that item -- this item was skipped.

1 The Commission did meet and did approve the
2 rulemaking petition and direct staff to begin drafting rules
3 to bring back at a future meeting.

4 In a fairly recent conversation I had with
5 Tyler Vance, the assistant general counsel for the Lottery
6 Commission, my understanding is that the staff would not be
7 bringing the rules to the October Lottery Commission meeting,
8 but was anticipating bringing it to the Lottery Commission
9 December meeting. And Mr. Vance is here to correct me if I'm
10 wrong in my recall or if there's been an update.

11 That's it for me. I'll be happy to answer any
12 questions that the Bingo Advisory Committee members have.

13 CHAIRMAN SMITH: Anybody have any questions
14 for Ms. Kiplin? Nope. Okay. Thank you.

15 All right. Does staff or anyone have any
16 questions or anything, want to comment? Nope. Excellent.
17 All right.

18 AGENDA ITEM 8

19 CHAIRMAN SMITH: Moving on. Number eight. We
20 have an advertising presentation by Tom Stewart. But before
21 we let Tom get started on that, we do have a very special
22 birthday in the house from our very own Steve Bresnen. His
23 birthday is today. Happy birthday, Steve. We do appreciate
24 the work you do around here very much, so thank you and have
25 a happy birthday.

1 All right, Tom, all yours, sir.

2 MR. STEWART: Thank you. For the record, my
3 name is Tom Stewart. I represent Texas Charity Advocates,
4 and I was afraid you were going to leave that to me somehow
5 or another, so I'm glad you recognized Steve and his
6 birthday, so.

7 If you guys will recall, at -- I gave a very
8 high level informal presentation about the digital
9 advertising that's been going on this year and I offered to
10 do a more in-depth presentation at this next meeting. So
11 that's what I'm here for today. And hopefully, it'll be
12 brief, but I'm happy to answer any questions along the way.
13 So if I get to going too fast and somebody on the phone has a
14 question, just yell out and I'll stop. Hopefully, you guys
15 have it on the phone and are able to follow along.

16 And I just thought I'd start out first with
17 the timeline. This really has been a five year effort. We
18 started having conversations about how we market bingo in
19 Texas back in 2017. We had a very good legislative session
20 that year. We passed a couple of really good measures that
21 helped the bingo industry, but we started looking at, you
22 know, what more could we do on our own to help promote the
23 game of bingo?

24 And so with the approval of the TCA board, we
25 interviewed several marketing firms in Texas to help us come

1 up with a marketing initiative. The other thing that I just
2 would like to highlight, in that same year, the board
3 approved conducting an economic development statement.

4 In that process, we hired an agency that's
5 based here in Austin, the WhiteBox agency, for the marketing
6 initiative, and then we hired an economics firm, TXP Inc. for
7 the economic impact study.

8 Most all of that research was conducted in
9 2018. And along with that, the other elements included not
10 only the research, but then a strategy and a plan based on
11 that research, a messaging map, and in the brand outlook and
12 the brand feel. And it all is encapsulated really sort of in
13 this Let's Go Bingo logo.

14 I mean, that's a brief part of it, or a short
15 piece of it, an important piece of it, but it was that theme
16 that we wanted to build around, and I'll get into more of our
17 findings here in just a second. And then there were other
18 collateral materials that were developed along with that.
19 And then we also completed the economic impact study later
20 that year that we used in the legislative session in 2019
21 that was very helpful in us having another very successful
22 legislative session.

23 We launched a Let's Go Bingo website. The
24 biggest piece of that was a locator. So every bingo hall in
25 the state of Texas is listed on the website. All you've got

1 to do is punch in your zip code and you'll find the closest
2 bingo hall to you. It also has other things like the history
3 of the game, how to play the game, other things that we think
4 are important for a consumer to know if they're looking for
5 information on bingo in Texas.

6 There's collateral material that's on the site
7 available to member halls. And then late that year, early
8 the next year, we did some initial advertising testing here
9 in the Austin market.

10 That had a couple of layers to it. It had
11 both digital advertising, but it also had a radio component
12 to it. And what that test told us is that with our focus on
13 raising awareness, if we put some resources to that, we could
14 have an impact. It was a small test, but we found that it
15 was successful.

16 And then along about March of 2020, COVID came
17 along and we all got knocked off into the ditch. And this
18 basically stayed in the ditch for the next year, almost two
19 years.

20 Late last year in 2021, under the leadership
21 of the three key distributors in Texas, we started discussing
22 it again in a much more significant way. And with their
23 leadership and with their help, we were able to secure
24 commitments for all of 2022 to run solely a digital
25 advertising campaign. And I can talk a little bit more

1 specifically about what that entails in just a second.

2 So that just gives you a little bit of the
3 timeline, a five year process with two of those years sort of
4 dead in the water because of COVID.

5 In our initial research, what we found, you
6 know, is really pretty significant or confirming of things
7 that we think are significant. Everybody loves the game of
8 bingo. It's very rare in the consumer area where everybody
9 loves something. You know, you're either, you either like
10 Coke or you don't like Coke. You either like Pepsi, you
11 don't like Pepsi, You have your favorite.

12 With bingo, we found that pretty much everyone
13 loved the game. It conjured up some sort of throwback
14 memory, some sort of comforting memory in some form or
15 fashion that just left everybody appreciating it.

16 Obviously we have declining attendance.
17 That's something that we all know and you guys that are in
18 the business, particularly in the halls themselves, actually
19 know. What we fundamentally found was a lack of awareness.
20 The people who know, know, and they go regularly. But
21 there's a huge body of people out there that just, it's not
22 top of mind for how they want to spend their entertainment
23 dollar.

24 Through our economic impact study, and I
25 should have wrote down a few of these key statistics, we also

1 found a significant economic impact in the hundreds of
2 millions of dollars for public benefit and also in terms of
3 employment. So out of that, where are we today?

4 So in January of this year, we launched the
5 digital advertising campaign. We're doing it exclusively
6 through iHeartMedia, through their social media platforms and
7 digital platforms. And basically what happens is if you fall
8 within a certain area of demographics or geographic areas
9 near halls, you're served up ads. They're display ads,
10 right? They're static, they're not video at this point.
11 They're static. You can click on it. It'll take you to the
12 Let's Go Bingo site, but it is just to try to begin to get it
13 a little bit more top of mind.

14 We have a hundred thousand dollars committed
15 through the end of the year, which is a healthy number for
16 us. I don't think at least from the people that I've talked
17 to and my awareness, we've never done anything like this in
18 the state of Texas to promote bingo. And the results to date
19 again reaffirmed what we were looking to do, which is to
20 raise awareness.

21 We're about 80 percent of the way through the
22 campaign so far, about five and a half million impressions
23 delivered statewide. We've had 8,970 clicks for a click
24 through rate of 0.16 percent. That's three times the
25 national average. So we know that the ads that we're serving

1 up grab people's attention. And through the, you know, the
2 hocus pocus of tracking that we all love to hate, we've been
3 able to track approximately 20,000 people into specific bingo
4 locations.

5 We started tracking every licensed bingo
6 location at the start of the year. And we figured out that
7 some of those locations may be licensed, but like my kids
8 went to Bridge Point Elementary school here in Austin.
9 They're licensed for bingo, but they -- it's a charity, you
10 know, once a year type of deal. So we were tracking people.
11 So I've gone back through and eliminated those sort of one
12 time shots, eliminated about a third, so that real number of
13 tracked into bingo, licensed bingo locations, is more about,
14 more like 28,000 and I eliminated about 30 percent of them
15 and get us down to about that 20 percent number. And then we
16 just get -- then we can begin to kind of put a value on a
17 return on the dollar. I picked \$40 as a typical what a
18 customer might spend, you multiply that by 20, and you get a
19 estimated gross revenue number of 800,000.

20 It's important that I point out that's not net
21 revenue. We don't know that that's new revenue. We're not
22 able to track the difference between a customer, a regular
23 customer, or a new customer. Excuse me. But we at least
24 know that we're able to put some kind of value on what we're
25 seeing through our advertising effort.

1 The other thing that I would point to that the
2 Let's Go Bingo website itself, I was just looking at the
3 Google Analytics this morning, visits to that site over the
4 course of this year are up 140 percent over last year. So
5 whereas we were getting maybe seven or 8,000 visitors for all
6 of last year to that site, through today's date we've got
7 somewhere around 12,000 for the year.

8 So again, it's increased traffic to our site.
9 We know that people are paying attention to it. And roughly
10 90 percent of those are new visitors throughout the course of
11 the year.

12 So then if you kind of try to take stock and
13 do a simple SWOT analysis, this is the way I sort of
14 characterize it: from a strength standpoint where bingo is
15 universally loved, there's a very loyal customer base and
16 it's mission driven and people appreciate that. Our research
17 did find that. Especially people that, as you sort of went
18 up the scale from what I would call everyday players to
19 infrequent players, to the occasional or never players, at
20 that level the mission, the charity connection, really comes
21 into play in terms of what might drive somebody into the
22 hall.

23 And that -- I think that's an important point
24 for people, particularly in the halls, to keep in mind, that
25 as you're trying to attract new people, that's a message that

1 could really serve you well.

2 From a weakness standpoint, obviously, a lack
3 of awareness, and then a spotty customer experience. We got
4 some really great halls that, a unique experience for people
5 out there, but in other areas where the resources might not
6 be there, it's a little more spotty.

7 From an opportunity standpoint, there's a
8 resiliency to the game itself. And the biggest thing I think
9 is converting the infrequent player. So maybe that player
10 that plays once, maybe twice a month, how do we get them to
11 be a two times or four times player a month, right? Or the
12 occasional player who comes maybe once or twice a year, how
13 do we get them to come more frequently throughout the year?
14 That's probably where our single best opportunity is, is
15 focusing on those infrequent players and converting them to a
16 much more regular player.

17 And then, as people have the means and the
18 resources to enhance that customer experience, whether it's,
19 you know, new carpeting, new chairs, new tables, fresh coat
20 of paint on the walls, you know, just the experience of going
21 into and out of the hall. And then the threats I think are
22 fairly obvious to folks as well. Expanded gaming is a risk
23 for all of us. And that's a conversation that we're going to
24 continue to need to be involved in, particularly with the
25 legislative session coming up.

1 We compete with other entertainment options.
2 We, I think, often think of ourselves in the gaming arena.
3 And that's true, but I think even gaming is an entertainment
4 option for most people. And that's what we compete against,
5 including the lottery. That's a form of entertainment for
6 people and they're one of our -- obviously one of our
7 competitors.

8 But we can take some lessons from them too,
9 particularly in terms of how they advertise their product,
10 you know, through billboards, you know, it's awareness. All
11 -- most all of their campaign is about awareness that this
12 opportunity is out there for you to maybe put a little bit
13 more money back into your pocket. And then I think the other
14 threat is in, at least in some areas, is a race to sort of
15 the everyday low price competitor. Everybody trying to
16 compete to be Walmart when there's probably some opportunity
17 for some people to be Target or Kohl's or something else
18 slightly up to differentiate themselves and be slightly up
19 the food chain.

20 So, with all of that in mind, sort of the
21 question is now what? Well, what we're looking to do is try
22 to scale up because we certainly want to try to maintain and
23 we'll be looking to maintain and expand contributions from
24 the industry itself. A real key in this going forward is
25 going to be getting buy-in from the halls themselves at some

1 level that the rising tide lifts all boats.

2 And that means that halls should put a little
3 bit of their resources towards an overall effort that helps
4 the entire game. And that's something I know we'll be
5 working on throughout the rest of this year.

6 The second thing that we're interested in
7 trying to do, and we're working on how we go about this, is
8 to create some sort of private-public partnership with the
9 state where there's some level of matching to what we come up
10 with in private dollars, that somehow or another we can come
11 up with a way to match that with public dollars. That's a
12 challenge for us in how that might work legislatively and
13 legally, but we've got the best and the brightest minds
14 thinking about it.

15 And then, you know, if we can scale up in
16 terms of the resources that we have, then can we expand the
17 platforms that we're on. Can we move beyond just the digital
18 world and look, do we have resources for radio? I don't
19 think we'll ever be in the TV realm, and I don't think that
20 that would ever be anything that would be very efficient for
21 us. But the more platforms that we have and can expand to,
22 the better chance we have of raising awareness.

23 We also need to look at refreshing the content
24 that we currently have. Maybe adding a video element aspect
25 to it. Everything's moving towards that. So how we can get

1 in to five or ten second videos that draw people in. That's
2 probably the next place to go.

3 And then of course, and I mentioned this,
4 educating the charity conductors on the value in investing,
5 not only in this, but also in their customer experience.

6 So that's what I've got. I'm happy to answer
7 any questions that anybody might have.

8 CHAIRMAN SMITH: Thank you, Tom. I've only
9 got a couple of questions. You keep talking about the
10 economic impact study and the advertising campaign, which
11 you've done a fantastic job on, in my opinion. But how does
12 the general public see these things? Do we -- do you have
13 them on the website? Do you?

14 MR. STEWART: Yeah, so the economic impact
15 study is available on our TCA specific website, which is
16 texascharityadvocates.com. And we have links back to Let's
17 Go Bingo, and a little bit of information on our website that
18 links back. I don't think we have the economic impact study
19 on letsgobingo.org. I would have to go check. But it is out
20 there and it's available and of course to anybody who reaches
21 out to me, I can email it to them as well.

22 CHAIRMAN SMITH: Excellent. Do you remember
23 the metric of dollar raised versus dollar spent per
24 charities? I think it was around seven, was it? Was that
25 the magic number?

1 MR. STEWART: I think it was. I think it was
2 -- I can --

3 CHAIRMAN SMITH: I was -- when I read the
4 economic impact study, I was astounded that for every dollar
5 raised by the charities that play bingo in the state of
6 Texas, they re-spend that dollar at about a seven to one
7 rate.

MR. STEWART: Right. And I --

8 CHAIRMAN SMITH: So that was incredible to me
9 the local impact that that has on Texas.

10 MR. STEWART: Yeah. And I actually -- I have
11 my computer and I can go look at that and share that with
12 people, too.

13 CHAIRMAN SMITH: Okay. Excellent.

14 MR. BOURGOYNE: I had one question, Tom.

15 MR. STEWART: Yes, sir.

16 MR. BOURGOYNE: Of the 20,000 tracked visits
17 to locations, has there been any efforts to correlate the
18 increased attendance in those particular halls?

19 MR. STEWART: Only anecdotally. You know, I
20 try to talk to people on a regular basis and ask, you know,
21 what are you seeing in your halls?

22 MR. BOURGOYNE: But you do have specific --
23 track visits to specific halls?

24 MR. STEWART: Yes.

25 MR. BOURGOYNE: Okay.

1 MR. STEWART: We do have that.

2 MR. BOURGOYNE: Boy, if they would corroborate
3 their increased attendance through that, that'd just be like
4 a --

5 MR. STEWART: Absolutely. Absolutely. And I
6 know, you know, we'll be sharing that data with halls as we
7 look to ask them for --

8 MR. BOURGOYNE: Attaboy.

9 MR. STEWART: -- for participation. That's
10 what you were looking for, wasn't it, Emile?

11 MR. BOURGOYNE: Yes, sir. Thank you.

12 MS. GREEN: Tom, I do agree that awareness is
13 our biggest problem. Somebody walked in our hall the other
14 day and said I didn't even know you were here.

15 MR. BOURGOYNE: It was on. There you go.

16 MS. GREEN: Yeah. Awareness is our biggest
17 problem because somebody walked in our hall and said, I
18 didn't even know you were here. We've been there 30 years.
19 On the corner --

20 MR. STEWART: Right.

21 MS. GREEN: -- of a huge -- so awareness is a
22 huge problem and whatever you can do to make people aware of
23 bingo.

24 MR. STEWART: Right. And you know, what I've
25 -- the way -- early on I tried to describe at least my, the

1 way I envisioned this, is that if we could provide sort of
2 the umbrella campaign or overall air support if you will, to
3 drive people to say, Let's Go Bingo, Let's Go Bingo. And
4 then at your local hall using your resources also saying, you
5 know, come play bingo at my hall. Come play bingo at my
6 hall. That double whammy of marketing can begin to take root
7 and take shape in communities.

8 And I think we live in a time and an era, and
9 I think even the Lottery Commission -- I can't remember, it
10 was in a presentation a few months back, when they talked
11 about their advertising spend. It's been significantly cut
12 back on, but the vast majority of their advertising is
13 strictly through digital media.

14 You know, we still see the billboards, you
15 still have point of sale marketing and those sorts of things,
16 but their advertising, you know, spend per se, the vast
17 majority of that is in the digital world. So, you know,
18 these guys are the best at it. We're in that space, so at
19 least we know we're following a model that works.

20 Anybody on the phone?

21 CHAIRMAN SMITH: Steve Bresnen?

22 MR. BRESNEN: Tom, is this -- can you tell
23 from your results whether particular geographic regions are
24 more or less sensitive to the digital approach?

25 MR. STEWART: Let me answer it this way. The

1 question was, in case people didn't hear it on the phone, is
2 there a way to tell in our results whether or not any
3 geographic area is more sensitive to the messaging? Is that
4 right?

5 The way we allocated the impressions, right,
6 an impression is how many times, you know, it gets served up
7 into the inner world -- interwebs, we did it based on
8 population. So obviously, bigger cities like Dallas,
9 Houston, Austin, Fort Worth, they're getting a bigger share
10 and therefore, and because there are more halls there, you're
11 seeing more traffic into those areas.

12 That's a good question, if we can see if, on
13 some sort of levelized playing field, some areas responding
14 more or not. And I actually have a meeting with our iHeart
15 folks next Tuesday, and I'll ask them that question and I can
16 follow up.

17 MR. BRESNEN: Okay. I have another question,
18 Mr. Chairman, if it's all right?

19 CHAIRMAN SMITH: Absolutely.

20 MR. BRESNEN: What -- have you been able to
21 determine is there a number, a spend, on the digital
22 advertising that would be optimal? Obviously, we'd like to
23 have more. Is there a point at which you're at diminishing
24 returns or, you know, if you had your druthers, where would
25 you end up?

1 MR. STEWART: I think that if we had -- if we
2 had somewhere around a half a million, we could do a lot of
3 good damage. We could cause some good trouble. Somewhere
4 between a half a million and a million I think is probably --
5 for us, right? If you think about this as a process, right?
6 This has been a five year process. The next step for us, I
7 think is one, expanding what we've been able to raise from
8 within the industry itself, right? Sort of our self-help
9 approach to this, and get the state to match that.

10 So if we had, between the private and the public
11 sources, if we had somewhere around 500,000, that'd be a
12 great next step in our process. And something that I think
13 we could easily swallow and spend in a very effective way.
14 When you get up into the million dollar range, that's when I
15 think that gives us an opportunity to look at what other
16 platforms beyond the digital world might be useful and
17 beneficial to us. Right?

18 So, you know, if we had all the money in the
19 world, you know, we'd spend in the digital world probably
20 most of our resources, but we would also go to radio. We
21 would also maybe go to billboards. I mean, I actually think
22 from, you know, from an effective standpoints, one of the
23 most effective advertisements that the Lottery Commission has
24 is the big billboards along the way, but if there were
25 strategic billboards in communities, and that's probably much

1 more effective for the local hall to spend their resources on
2 than it is for us as on a statewide basis, because -- just
3 because. That's just what I think.

4 And, you know, so then you look at what other
5 platforms. I think the next logical one for us would be
6 radio. Well, you know, that's a big spend number if you're
7 looking to go statewide with that. And so you know, you're
8 looking at bigger dollars.

9 MR. BRESNEN: I have one more question, Mr.
10 Chairman, if I might?

11 CHAIRMAN SMITH: Yes, sir.

12 MR. BRESNEN: So, as I understand it from
13 counsel sitting to my north, advertising is an authorized
14 expense for the conductors. So the problem that we've been
15 discussing, this is kind of a rhetorical question for you,
16 but the problem that we've been discussing is how would you
17 organize a broad, widely distributed group of conductors to
18 put their money together in a way that used the iHeart
19 platform, took advantage of the research that you've done?
20 And that's one of the things that we've been discussing,
21 whether legislation might help that, or it could be done with
22 shoe leather or, you know, what?

23 MR. STEWART: Well, you've got to have some
24 kind of entity there that administers it, right, and oversees
25 it, reports, for accountability purposes. We essentially

1 have that running this through TCA. We talked -- went -- in
2 late last year when we picked this conversation back up, we
3 talked about the possibility of creating some other sort of
4 entity outside of TCA, but we decided for efficiency sake
5 that we'd continue to do it through our organization,
6 although it was going to benefit the industry as a whole,
7 whether somebody contributed or not.

8 We could continue along that pathway or we
9 could create some other separate entity solely for this
10 purpose. And we just have to figure out, you know, what's --
11 is it a 501(c)(3), a 501(c)(4)? You know, whatever
12 legalistic entity we'd need to create.

13 This is -- the challenge I think is, and what
14 we've had in some of our conversations between you and I on
15 this, is if we figure out a pot of money to go after that
16 would be the public part of it, how do we have the proper
17 accountability for that and how is that structure set up?

18 I don't completely know the answer to that.
19 Maybe you've thought about it more and you do. Does that --
20 does that get at where you were going in that question?

21 MR. BRESNEN: Yes, it does. And I have given
22 lot of thought to it, but I'm not sure it's appropriate in
23 this meeting for us to be talking about what we might be able
24 to do with some changes in the law.

25 MR. STEWART: Yeah.

1 MR. BRESNEN: So we can do that on a private
2 basis. I said I had one last question, but you know how I
3 am.

4 MR. STEWART: Let me just add one thing. I
5 think it's important for the industry in particular to think
6 about this in a cooperative way in a way to work together.
7 It's a little bit like the Ford dealers and the Chevy
8 dealers. They compete like hell against each other in
9 selling their particular Ford or Chevy, but they do come
10 together and they advertise together for awareness purposes,
11 that the Ford product is out there, or the Chevy product is
12 out there.

13 And I think we need to begin to develop a
14 little bit more of that mindset that, again, the rising tide
15 lifts all boats. And if our goal and objective is to try to
16 begin to stem the tide of declining attendance, you know,
17 just stemming that tide is a big fight, let alone trying to
18 increase it. That's a whole different level. I think our
19 objective right now has to be stemming those constant, steady
20 declines because you can mathematically carry it out and at
21 some point this industry largely goes away if those declines
22 continue. Sorry.

23 MR. BRESNEN: No, that's okay. I think it's
24 more appropriate for me to get the answer to that question in
25 private.

1 MR. STEWART: Okay. Anybody? Yes, ma'am.

2 MS. GREEN: Have you approached the different
3 groups asking for money? I know you did once and that was a
4 while back, and we've always paid and given money, but have
5 you done that recently? I mean, I have not been approached
6 yet.

7 MR. STEWART: Yeah, we've got work to do.

8 MS. GREEN: Okay.

9 MR. STEWART: We've got work to do. So expect
10 some calls. Okay?

11 MS. GREEN: Yeah, yeah, yeah. Yeah.

12 CHAIRMAN SMITH: All right. Any other
13 questions for Tom?

14 MR. STEWART: Timing's important.

15 CHAIRMAN SMITH: Any other questions for Tom?

16 MR. STEWART: Thank y'all.

17 CHAIRMAN SMITH: All right. Thank you, Tom.

18 AGENDA ITEM 6

19 CHAIRMAN SMITH: Real quick before we move on
20 to old business, let's get back to number six; see if Corey's
21 on the line yet. Corey, did you make it on, sir.

22 (No response)

23 MR. BOURGOYNE: That'd be a no.

24 CHAIRMAN SMITH: No. Okay. Well, we'll move
25 that to the next meeting.

1 AGENDA ITEM 9

2 CHAIRMAN SMITH: Number nine, old business.
3 Any old business anyone wants to speak of? Anyone? Nope.
4 Okay. Public comment on any of that? No? All right.

5 AGENDA ITEM 10

6 CHAIRMAN SMITH: Number 10, new business. Any
7 new business? Public comment on that? Nope. Okay.

8 LaDonna, did you have anything you needed to brief us on
9 or talk to us about or anything, Tyler, anyone? Nope? Okay.
10 Excellent.

11 AGENDA ITEM 11

12 CHAIRMAN SMITH: All right. Number 11,
13 setting the date for the next meeting. I know we do have
14 some scheduling conflicts on getting the room for the
15 December meeting; is that correct? I can't remember the
16 dates right off the top of my head, but I think the 13th was
17 the Commission meeting; is that correct?

18 MS. CASTAÑUELA: Is it December 12th?

19 UNIDENTIFIED VOICE: Yes. December 12th.

20 MS. CASTAÑUELA: Okay. So December 12th, but
21 it's at --

22 CHAIRMAN SMITH: That's a Monday.

23 UNIDENTIFIED VOICE: To meet at 2:30 is still
24 a good time. We have the room from 1:00.

25 MS. CASTAÑUELA: Okay. So it'll be after

1 1:00. So it'll be 2:00 or 2:30 on December 12th, which is
2 after the Commissioners meet that morning.

3 CHAIRMAN SMITH: Okay. How does that -- so
4 we're supposed to report to the Commissioners on that, but
5 we're going to have the meeting afterwards. How do you -- is
6 that something we need to talk about later or?

7 UNIDENTIFIED VOICE: The Commissioners are
8 having their meeting that day in the morning?

9 MS. CASTAÑUELA: Yes.

10 UNIDENTIFIED VOICE: So it will be after.

11 MS. CASTAÑUELA: Yes.

12 CHAIRMAN SMITH: Okay. So we need to have our
13 meeting before that on the 12th. No?

14 UNIDENTIFIED VOICE: Yeah. They're meeting
15 after --

16 MS. CASTAÑUELA: The Commissioners are meeting
17 at 10:00 on the 12th.

18 CHAIRMAN SMITH: Right.

19 MS. CASTAÑUELA: The 12th is a Monday.

20 CHAIRMAN SMITH: Right.

21 MS. CASTAÑUELA: First of all, let me -- for
22 anybody that isn't looking at a calendar. So it's not their
23 normal Thursday schedule. Every -- we're all having issues
24 --

25 CHAIRMAN SMITH: Sure.

1 MS. CASTAÑUELA: -- you know, trying to get
2 the room. So the best we could do for the BAC close to that
3 date was the afternoon of the Commissioner's meeting.

4 CHAIRMAN SMITH: Okay. Yeah. So I guess my
5 question is, is since we won't have the BAC meeting until
6 after the Commissioner's meeting, what's the protocol for
7 reporting to the Commissioners for that? Just --

8 MS. CASTAÑUELA: I don't know. Have you
9 considered a -- I don't know, a remote meeting that like what
10 you all were doing before or something else? We don't have a
11 room available.

12 CHAIRMAN SMITH: Okay. Okay. Let's just
13 tentatively set it for the 12th and then we'll go from there.
14 Maybe have a remote sometime between now and then to report
15 to them. Does that sound good with you?

16 MS. CASTAÑUELA: Sure.

17 MR. BOURGOYNE: The 12th would be the same
18 time, 2:30?

19 MS. CASTAÑUELA: Yes.

20 CHAIRMAN SMITH: December 12th at 2:30 is the
21 tentative BAC meeting.

22 MS. GREEN: Monday -- and the Commissioners is
23 Tuesday.

24 CHAIRMAN SMITH: Pardon?

25 MS. GREEN: Tuesday for the --

1 CHAIRMAN SMITH: No.

2 MS. CASTAÑUELA: Commissioners is --

3 CHAIRMAN SMITH: Monday.

4 MS. CASTAÑUELA: -- December 12th at 10:00 in
5 the morning.

6 CHAIRMAN SMITH: Yeah, that's the issue.
7 They're going to meet at 10:00 because of the meeting room
8 schedule. It's going to get a little hairy for us, so we'll
9 just have to buckle down for the time being until everything
10 levels out a little bit. Yes, ma'am. Thank you.

11 All right. Next meeting December 12th at
12 2:30.

13 AGENDA ITEM 12

14 CHAIRMAN SMITH: And we'll call this meeting
15 of the Bingo Advisory Committee adjourned. Thank you, all.

16 (Meeting adjourned)

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1 C E R T I F I C A T E

2 STATE OF TEXAS)

3)

4 COUNTY OF HARRIS)

5 I, Kimberly C. McCright, Certified Vendor in and
6 for the State of Texas, do hereby certify that the
7 above-mentioned matter occurred as hereinbefore set out.

8 I FURTHER CERTIFY THAT the proceedings of such were
9 reported by me or under my supervision, later reduced to
10 typewritten form under my supervision and control and that
11 the foregoing pages are a full, true and correct
12 transcription of the original notes.

13 IN WITNESS WHEREOF, I have hereunto set my hand and
14 seal this 21st day of October, 2022.

15 /s/ Kimberly C. McCright
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