

Tom Markert, President

## SMARTPLAY INTERNATIONAL INC.

ottery is in one of the most exciting stages of its long illustrious life. Reimagining how to meet the needs of a consumer market that is changing so quickly is never easy. But it is exciting to think about the possibilities for Lottery, with its brand awareness, reputation for integrity, network of retailers, and massive player base - assets that have been built over many decades. Smartplay is reinventing the next generation of strategies and products to turn the Draw itself into one of Lottery's most powerful marketing tools. And we are excited about the opportunity to be a part of the next chapter of Lottery growth.

Our traditional focus has always been on the technology and security of the Draw implementation. Security and integrity will always be the singularly mission-critical feature of Smartplay's drawing systems. That's the way it has always been and always will be. But we have been reimagining the way that the Draw can contribute to a broader range of Lottery objectives. Thinking of the Draw as content that can be used to drive consumer engagement has

## SMARTPLAY, THE NEXT CHAPTER: DELIVERING CUSTOMER-CENTRIC SOLUTIONS TO THE LOTTERY INDUSTRY

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led us to reinvent the role of the Draw as a powerful marketing asset.

The draw event is iconic. Part of our focus moving forward is creating more excitement and visibility around the draw to generate player engagement and drive more sales for our clients. For many years, the televised draw was a marketing event that attracted viewership and served to connect the consumer with the thrill of the main event, the drawing of winning numbers.

Now that media has exploded to include countless channels of communication, television is no longer the dominant force that it once was. That's not necessarily a bad thing since the TV broadcast time was always too expensive anyway! New digital media now provide a whole new landscape that may be a little more complicated, but is far more effective at reaching the intended audience. The innovation that Smartplay is now delivering in the form of the Origin Portal is turning the magical moment of the Draw back into a marketing player-engagement event.

The Draw is, after all, the climax of the game that millions of consumers play on a daily basis. That is the moment when it is revealed whose lives will be forever changed for the better. Our goal is to connect the players to this main event, to integrate the thrill of that moment, the reveal of who the winners are, right into the playing experience.

The Smartplay Origin Portal integrates the content (i.e. the outcome of the Draw but also any other Draw information that you want to distribute) with the communications tools to disseminate the information in real time across online media. The Origin Portal digital transmission of Draw information to the media works just as well

with both mechanical or electronic-based system. The fact that it involves minimal labor/oversight is certainly a benefit. But the more critical advantage of integrating the automated broadcast right into the system is that it eliminates the multiple iterations and the inevitable mistakes that happen when people are re-keying or relaying information for media broadcast.

I believe there will always be a demand for mechanical drawing systems. The mechanical draw system provides the visual that many still use for effective event-marketing. And some gaming cultures will always be more confident in the integrity of the mechanical draw systems. Of course, that is just a consumer perception. Like mechanical systems, the digital draw system is 100% reliable. There is zero tolerance for anything other than 100% integrity of the Draw! But we also want to be responsive to consumer perception and deliver the player experience the players value most.

Smartplay is applying its resources to enable us to contribute to Lottery's big-picture mission of connecting with consumers, attracting new players, and optimizing performance for the benefit of good causes. The Draw as marketing content and promotional tool is an under-utilized asset and that translates into opportunity for Lottery. Building the platforms that enable us to communicate with tens of millions of players is so key to achieving that potential. Smartplay's dedication to that goal has already resulted in great products that launch the Lottery Draw into the new world of digital media. We are just scratching the surface of potential for digital marketing strategies to transform the industry. There is only upside for Lottery to build out the most robust digital marketing presence it can.

## SMARTPLAY INTERNATIONAL ANNOUNCES SIGNIFICANT CHANGES IN LEADERSHIP

martplay International, Inc., a global lottery drawing technology and equipment company, recently announced several new positions to manage company growth and new business development initiatives.

Current President and company founder David Michaud steps down as president, assuming a client support and operations role. Michaud founded Smartplay in 1993, growing the company to 35 employees and working with over 200 lottery organizations in 85 countries.

Executive Vice President Tom Markert assumed the role of president as of May 1, 2017. Tom, also a founding partner, was the first employee of Smartplay in April of 1993. He entered the lottery industry in 1988 as an engineer at Beitel Lottery Products. Over the years, Tom's role has expanded from overseeing manufacturing to sales and client services.

Smartplay has tapped Darrell Smith, former creative director at SCA Gaming and principal of Game Creative, to lead their sales and marketing efforts. Darrell Smith assumed the title of Vice President, Sales and Marketing on May 1. He will focus on expanding the company's digital product line globally as well as spearheading expansion into the gaming space. Smith has served the gaming industry for the last 13 years, eight years as creative director at SCA Gaming and then as principal of Game Creative -- a game development and marketing company.

Lottery veteran, Sales and Marketing Associate, Mariana Mokritski will concentrate her efforts on servicing existing clients with current and future projects.

"These changes will give us the foundation to manage our future growth and innovation. We've had great success with our new digital systems and are focused on sharing this story globally," said Tom Markert. "Darrell brings the experience in marketing, digital development and gaming to assist in our growth as we see the gaming and lottery industries continue to converge."

Markert notes that the company is experiencing no slowdown in the manufacturing of traditional lottery systems. "What we're seeing is an increased interest in the security that traditional mechanical machines provide. Our growth is coming from innovative lottery organizations that are combining both digital and mechanical systems."

Smartplay International designs, manufactures and supports lottery drawing equipment, digital drawing systems, custom game show equipment, and related products. Over the last 24 years, the company has served over 200 of the world's most prestigious lottery organizations in over 85 countries. Smartplay is ISO 9001-2008 certified and adheres to a strict manufacturing and quality control process.



Darrell Smith, Vice President, Sales and Marketing



