



Winning in Kansas City!

The NASPL annual conference was held in Kansas City, Missouri, in early September.

Published October 17, 2024



The lottery industry’s signature annual event drew attendees from North America and beyond. They were treated to informative keynote speakers, a number of topical breakout sessions, the presentation of the prestigious Batchy and Hickey awards for excellence in advertising and promotions, and networking opportunities with their peers.

The conference was headlined by three keynote speakers. Highlights from their talks are summarized here; their full presentations are available for viewing on the [NASPL Matrix](#).

The first was **Tres York**, the American Gaming Association’s Senior Director, Government Relations. He began with a map of the gaming landscape across the U.S., and noted that there are synergies to build on between the gaming and lottery industries. “Our boats are sailing in the same direction,” he said, with shared threats and one potential opportunity. The shared threats are twofold: unregulated “skill” machines in the physical world and unlicensed online “sweepstakes” operations in the digital world.



The AGA estimates that at the end of 2022, there were more than 580,000 skill machines across the country, which generated an estimated \$109.2 billion in handle. The machines are a threat not only to casinos and lotteries but also to the public at large – with underage play, no responsible gambling efforts, and the potential for other crimes. York cited a 2022 report by Scientific Games on behalf of the Pennsylvania Lottery, which estimated that the Lottery lost more than \$650 million in scratch ticket sales due to these machines.

On the digital front, the newest threat are unlicensed sweepstakes operations – casinos, bingo, sports, poker. It's a rapidly-growing multi-billion-dollar market, and is direct competition to any regulated iLottery or iGaming operation.

The AGA is urging gaming regulators and attorneys general to look closer at both types of unregulated gaming operations. York encourages the lottery industry to collaborate with the AGA on these efforts. "These businesses pose a significant threat to all of us."

The one big opportunity is in the area of responsible gambling. He noted that the AGA has a code of conduct for casinos, which is more focused on brick and mortar locations, and has been adapting its responsible marketing code for sports betting to reflect changes in sports betting standards and policies. Importantly, the AGA's 2024 American Attitudes Study indicates that RG messaging does seem to be getting through to players, who are seeing and using many of the available tools. York hopes the gaming and lottery industries can work together more in an effort "to bolster our commitment to players."



Entertainment industry futurist **Ted Schilowitz** began his keynote presentation by asking audience members to swap phones with their neighbor. He noted their nervousness at the prospect of handing over what has become an extension of our being – current statistics show that people check their cell phones every six minutes, about 144 times per day. More people in the world have cell phones than have a toothbrush!

A cell phone screen, and all our digital devices, are basically a version of television. Everything we do is based on a screen, but the “TV box” is what changes. He explained that all early versions of virtual reality were BOF (“box on face”) designs. Then came augmented/mixed reality, and we are still struggling with trying to find good wearable device formats that are not BOF. Glasses are a work in progress – it’s challenging to get the visual component right. Apple Vision Pro works, but it’s too expensive. He said that virtual reality is just the sideshow; mixed reality will be the main event when we get it right!

Turning to artificial intelligence, Schilowitz is a big fan of the technology and is amazed at what it can do. He showed several examples of AI in use, the pros and cons of deep fakes, and advises every industry, including lottery, to have AI specialists on board – you need to control AI before it controls you!

He pointed out the phrase, “With time, the impossible will become the possible.” Perhaps it’s something to remind legislators when it comes to opportunities for lotteries – anything that seems impossible today will likely eventually become possible. “You need to grasp it and become proactive, because if you don’t, someone else will.”



The final keynote speaker of the conference had the audience riveted. Not just any motivational speaker, **Dan Meers** told the tale of his career as a mascot (KC Wolf) for the Kansas City Chiefs, going on 35 years now. The best thing about being a mascot? “You get paid to act goofy!” It’s likely that few people thoroughly enjoy their line of work as much as KC Wolf enjoys his, clearly evident as he provided some highlights of his career.

Meers also shared his thoughts about leadership and what truly matters in life. That all came into focus after he was seriously injured in 2013 when a stunt involving a bungee jump went wrong and he crashed into stadium seats. A life-threatening injury, his remarkable comeback has inspired everyone.

He makes the distinction between occupation and preoccupation, the latter being passion. His occupation is mascot, while his passion is faith, family, and using his life to make a positive impact on others. He defines leadership as one life influencing another, and that influence is determined by the choices you make along the way. "Choices we make determine our character and our destiny."

The injury gave him perspective and he shares the lessons learned to anyone who will listen: Live every day that you get with character, purpose and passion. Use your life to make an impact on someone else's life. The most important things in life aren't things, but are relationships. Every day you wake up, you can choose to rise and shine, or rise and whine. Whiners don't make a positive impact on others, so learn to live your life for things that matter.

His signature belief? "Life is like a coin. You can only spend it once, so spend it wisely." Life isn't supposed to be a spectator sport. It no surprise that the known philanthropist enjoys using his money to help others and has traveled the world to benefit those in need.

Meers has authored two books, *Wolves Can't Fly* and *Mascot on a Mission*; profits from both fund missions and ministries through the charity Character That Counts. After his presentation, a long line of conference attendees eagerly purchased their own copies.

Each year, the NASPL conference brings together the association's Level 1 Associate Member Partners in a discussion led by Rebecca Paul, President and Chief Executive Officer of the Tennessee Education Lottery. Participating in Kansas City were Richard Bateson, Chief Commercial Officer, Intralot US; Pat McHugh, Chief Executive Officer, Scientific Games; Doug Pollard, Co-Chief Executive Officer, Pollard Banknote; and Vince Sadusky, Chief Executive Officer, IGT.

As always, there were a number of topics raised that are relevant in the current environment. Topics are briefly summarized here; as with other general sessions, the full video is available on the [NASPL Matrix](#).

Competing in an increasingly competitive gaming environment. The two clear paths are advocacy and providing the best possible experience for players in both the physical and digital worlds. The lottery industry is different from other forms of gaming in that lotteries are a purpose-driven industry – they serve their beneficiaries. The industry needs to speak with one voice to get that message across. At the same time, lotteries need to make sure that they meet the competition with products and services that are second to none. Among other things, that means the adoption of agile platforms that are quick to adapt and allow integration of innovations from any source.

Improving the RFP process. Everyone agreed that it's challenging, with long and cumbersome RFPs that are too prescriptive and don't allow for collaboration during the process. The idea of developing best practices was favorably received, and participants emphasized the desire to move from a dependence on price to an evaluation structure that incentivizes companies to invest in technologies that help provide lotteries with the best solutions. Invited options and continual dialogue are seen as a good way to provide what each lottery wants in the best possible manner.

The importance of responsible gambling programs. As a purpose-driven industry, lotteries support RG efforts more so than any other competitors for the gaming dollar. There are already numerous RG tools and techniques being used by lotteries around the world, and there's a shift underway to focus on player health and wellness. All that is easier in the digital world, where players are known, but it's possible to keep incentivizing all players so more of them become registered players. The conversation moved on to how "RG" is actually evolving into corporate social responsibility, and lotteries and suppliers alike are working on sustainability along with a focus on people and employees.

Enhancements to the retail lottery experience. Noting how the retail landscape is changing, it's important to bring in innovations that will help better merchandise lottery products at

retail. At the same time, there has to be an eye on costs – perhaps a mix of significant modernized ways to sell tickets along with smaller innovations that can keep refreshing the retail experience. An emphasis on portfolio management was also discussed, as was the importance of cashless purchasing.

Solving our biggest challenges. All agreed that the industry's biggest challenge is the expansion of other forms of gaming and entertainment, which compete for the discretionary dollar. They circled back to the importance of advocacy and protecting lotteries' interests, and the importance of innovation in keeping lottery games in front of more potential players.