

• *The Colorado Lottery Celebrates 40 Years* •

THE OFFICIAL PUBLICATION OF THE NORTH AMERICAN ASSOCIATION OF STATE & PROVINCIAL LOTTERIES

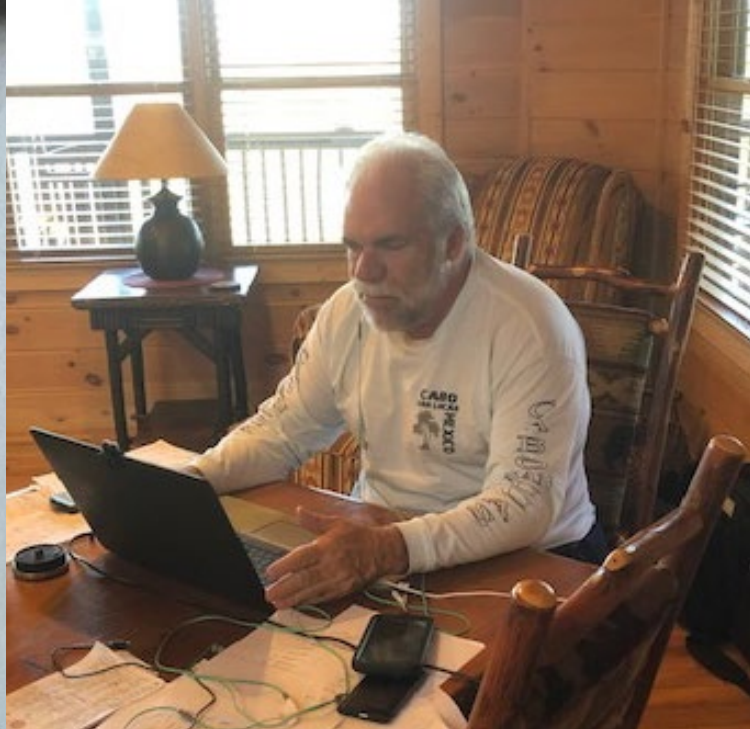
INSIGHTS

JANUARY/FEBRUARY 2023

FOCUS ON:
Draw Games

The LUCK of the DRAW

A look at recent
trends in **draw games**,
including the use
of random number
generators.



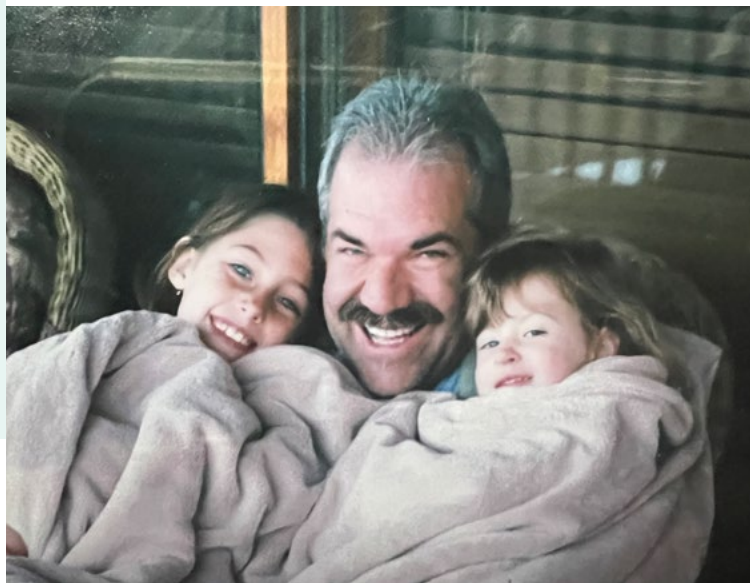
Affectionately known as “Jim B,” the 40-year veteran of Scientific Games is retiring this spring. James Bunitsky joined the company fresh out of college (the University of Delaware) and never looked back. From his beginnings as a Junior Accountant, he’s been through multiple changes in the company and the industry. He’s been through multiple recessions, a dot-com crash and a pandemic. He’s seen the American lottery industry grow from \$2.4 billion in sales across 14 jurisdictions in 1980 to where it is today – nearly \$100 billion across 46 jurisdictions. And he was instrumental in navigating the 2021 sale of Scientific Games’ Lottery Group for \$6.05 billion to Brookfield Business Partners. That brought the company back to a 100% lottery focus and retained the legacy name. Bunitsky reflects on his career in the lottery industry in a conversation with *Insights* editor Patricia McQueen.



Executive Q&A

JAMES BUNITSKY

Chief Financial Officer,
Scientific Games



Where did you start at Scientific Games?

Early on it was all about taxes; I was in charge of the tax department in the mid-1980s. That was the beginning, and to this day I still can sit in a meeting with the tax department (or with anyone else) and have a good healthy conversation with the tax experts. In fact, when you learn something, it sort of never goes away. I've held a great number of financial and accounting positions in my 40 years with the company, and I looked at each one as a real teaching lesson. While you are learning the job, people are helping to teach you that job. But what people teach you isn't necessarily everything; you have to dive in head first and learn a lot on your own.

What is your general working philosophy?

Importantly, I realized early on that anybody can keep score, but I wanted to figure out how to improve the score. So in any position you hold, it's important to improve that function before you necessarily move on. To do that, it helps to learn as much about the business as possible, all the peripherals that may not directly impact your job. For example, while I've been in finance, learning about operations was my way of being able to understand where I could help the company save money or improve efficiencies. I always looked at it as sort of puzzle pieces. The more you learn about other parts of the business, the more puzzle pieces you put together. That gets you a better 360-degree view of things to help you come up with new ideas on how to highlight solutions for new challenges, or problems that people didn't even know existed!

I'm also a firm believer in mentoring. I certainly had mentors, and I like to mentor others. Because the more I learn about something, the more I can educate others around me. And the more knowledge everybody has about the business, the industry, and how to get things done, the more we can accomplish.

Any other career advice you'd like to offer?

There are a few things. One key is to be passionate about the job. I come to work early in the morning with the engines going, and can't wait to get here. That passion fills my day so I'm productive, and when I get home at night, I can look at myself in the mirror and be proud of what I accomplished that day. You do have to be self-motivated, but it can be easy when you make something your own, you put your energies into your job and put your own spin into it. And then each year when there's a new record for your company's P&L, or lotteries that set new records of giving to beneficiaries, you can be proud of your contribution. You also need to stay focused on your priorities, because there's always something going on. And remember to have patience. Maybe opportunities don't come as fast as you would like them to, but patience helps you learn as much as you can. When people see your work ethic, they will see who you are, what you strive for, and how you work with other people – and they will want you on their team.



A lot has happened in 40 years. What changes have had the most impact on the industry?

In the early stages of the industry, you had a \$1 scratch ticket and you had a secure transaction network. That's it. If you look at where we are today, there's a long list of things that have changed! Starting with technological advances in hardware and software, materials used in manufacturing tickets, and the techniques used in manufacturing that add value to those tickets. Then there's all the equipment used for distribution and the introduction of cashless technologies, and movements into analytics, data mining and services. This entire ecosystem can drive things forward in a sophisticated manner.

The supplier network has also changed considerably. There are many more companies involved today than ever before, thanks to the growth in digital products and services. The pandemic accelerated that trend – we've seen the fear of digital go away, especially in the general retail sector. It helps when suppliers can provide more functionality, and integrate well with everything else going on. After all, it's the consumer who decides where to spend their entertainment dollars. They want to have fun, so you



have to generate fun games no matter the platform.

All of these advances have driven the industry forward, and now lotteries offer a plethora of game styles, designs and prize structures, that can be played on several platforms. In the beginning, we had chocolate and vanilla, or maybe Neapolitan. Now, we have every flavor known to mankind. It's the organic growth that is driving the industry today, producing consumer goods that people want. Even better, it's a consumer good that provides revenues to important beneficiaries, like education, senior citizens, infrastructure development and so many others. I can't think of another consumer good that provides revenue streams to good causes. That sense of giving back is what drives all of us. We all want to do the best we can for this industry, because the beneficiaries are the ones that you are working for.

Any other notable changes?

I think the regulatory environment has changed as well. In the beginning, consumers didn't know what lotteries were. Regulators had no idea how people would react, so they put in mandates about giving back. Over time, things became clearer, and they made adjustments. It's better to have 20% of \$2 billion than 25% of \$1 billion, and regulators often came

to the same realization. In recent years, we're also seeing the rise of ESG – environmental, social and governance standards that ensure that we are staying the course in a manner that's appropriate. And there has been a lot of emphasis on responsible gambling initiatives. These things are all part of the industry fabric going forward, as they should be.

What are your plans now?

I will really miss Scientific Games, and in one way I wish I was 10 years younger so I could put in 10 more years. The people here are my family, and it's a beautiful environment where I can go just about anywhere in the company and know the people and THEIR families. And I have to say that there are really smart people here, and at other companies that serve this industry. People who just keep getting better – they learn every day and apply what they've learned.

That said, it's time to experience other things that maybe I put off doing earlier in life. First, it's time to get healthy, to get back in shape again as I was in my younger days. I'll play some golf and do a little travel. I love being at the beach, and riding beach bikes. A great way to start it all is that I'm getting married in April, and Susan and I will have plenty of time to just hang out together. ■

The Science Inside *the Success*



130
lottery customers in
50 COUNTRIES

5
INSTANT
GAME
production facilities on
4 CONTINENTS

3,000+
employees

40+
locations
worldwide

With 70% of global instant scratch game retail sales, 30+ iLottery customers, 40+ systems customers, and partner to the largest government sports betting program in the world, Scientific Games brings 50 years of innovation and experience to responsibly drive lottery performance.



EXPERIENCE LOTERIA LIKE NEVER BEFORE

Bring Your Game to Life

\$0 SCIENTIFIC GAMES **HD**

LOTERIA
DON CLEMENTE

BONUS NIGHT 3D

▼ **PLAYING BOARD 1**

	\$5	\$15	\$25	\$50
\$10,000	THE ROOSTER	THE UMBRELLA	THE STAR	THE DEER
\$75	THE TREE	THE PITCHER	THE CANOE	THE ROSE
\$100	THE CROWN	THE PARROT	THE HAND	THE BOOT
\$250	THE WHISTLEBLOW	THE DRUM	THE FROG	THE ARROWS
\$1,000				

▼ **PLAYING BOARD 2**

	\$10	\$20	\$40	\$75
\$10,000	THE UMBRELLA	THE PEAR	THE ROOSTER	THE ROSE
\$100	THE WHISTLEBLOW	THE STAR	THE WORLD	THE SUN
\$250	THE BELL	THE PITCHER	THE DEER	THE TREE
\$500	THE FLOWERPOT	THE MERMAID	THE FROG	THE MUSICIAN
\$1,000				

CALLER CARDS

Download the Lottery App for a 3D experience to earn entries into a 2nd Chance Drawing

SEE TICKET BACK FOR PLAY INSTRUCTIONS.



Contact your Scientific Games representative for details.

