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Company running lottery seeks to halt release of business plan to media

By Matthew Walberg

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The company hired to run the Illinois Lottery has sought to bar the release of a marketing survey and business plan [advertisement](#) to the media, documents deemed public records.

Last week, a Cook County judge denied the Northstar Lottery Group's request for a temporary restraining order blocking release of a study commissioned by the company but paid for with state funds.

Now, the company has shifted its effort to the Illinois Court of Claims, which hears certain financial claims and lawsuits directed against the state.

The Tribune last year requested a copy of the marketing study under laws that enable the public to review government records.

Separately, Crain's Chicago Business filed a similar request seeking Northstar's 2014 business plan. Both requests were denied, but last month the Illinois Attorney general advised that the documents were public records.

In the latest filing to the Court of Claims, Northstar argued that the records are exempted from release and that the lottery is bound by contract to keep such records confidential, according to a copy of the lawsuit.

"It's confidential and private information that would give up the unique business practices of the company," said Northstar attorney Eric Macey.

If the company's plans are disclosed, it could endanger efforts to expand sales and bring in greater revenues for the state, Macey said.

"For instance, they (lottery officials) want us to expand the number of retail stores," Macey said. "One way to do it would be to expand to big box stores. What if 'X' big box stores are talking to the company? We have confidentiality agreements with the stores that we cannot talk to anybody about this, and now what's going to happen when you report that?"

A spokeswoman for the Illinois Attorney General's office -- which represented the lottery at last week's hearing in Cook County Circuit Court where Northstar's request for a restraining order was denied -- said the company's latest filing should not bar the release of the records.

"Like the circuit court lawsuit filed by Northstar, this complaint does not provide a legal basis to withhold the public records requested under FOIA," said agency spokeswoman Natalie Bauer.

After being selected as the winning bidder by Gov. Pat Quinn, Northstar has failed to reach the annual revenues it promised to bring to state coffers since it took over management of the lottery in 2011.

Despite record lottery sales, it fell more than \$210 million short of its net revenue goals in the first two fiscal years it had control of the lottery, resulting in nearly \$60 million in fines.

Lottery officials couldn't be reached for comment, but last week said the company is on track to have another lackluster performance in its third year.

Northstar will need to double sales revenues to make its goal for the 2014 fiscal year, which ends June 30, officials said.

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