



Conversations w/Tino

Guest	Ryan Frohberg
	Chief Marketing Officer
	Casino Del Sol Resort

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Tino Magnatta: Welcome to another episode of GT Radio Conversations with Tino. I have a great friend on the show tonight, and really smart guy, and a guy with some incredible stories to tell. Welcome Ryan Frohberg to the show. How you doing, buddy?

[Ryan Frohberg:](#) I'm doing great. Thank you, Tino. How are you?

[Tino Magnatta:](#) Good. Let's talk a little bit about where you were born, the environment you were in, and just a little bit about your formative years when you grew up.

[Ryan Frohberg:](#) All right. I was born in Lansing, Michigan in 1977. My dad at the time, was working as a line worker at Fisher Body Lansing in Lansing, Michigan. That's why we lived there. He wound up taking a sales job with a company called, Enmon, at the time, that turned into United Technologies, turned into BASF, it's the same company that my grandfather actually worked at, and he became a salesperson, so we moved around a lot.

He got transferred out to California to work at the Van Nuys plant out there, and then we were there for four or five years, and wound up getting transferred to the Wentzville, Missouri plant, near St. Louis, and spent two years there. Then, wound up getting transferred to their corporate offices in Southfield, living in Michigan.

When I was younger, and we lived in California, my grandfather was living in Tucson, retired, and so it was pretty easy for me to go over there every summer and kind of hang out with my grandpa. Because my dad was on the road a lot when I was really young, before I could start attending events with him, and things like that, I spent a lot of time with my grandfather.

He was also in sales, so kind of a lot of different experiences with that. Once I get a little bit older, my dad and I, both huge Michigan State fans, and dodged a bullet today, thank God, but he used to take me to all the games. I don't think I missed a single Michigan State football game at home from 1986 through 1999.

[Tino Magnatta:](#) Wow.

[Ryan Frohberg:](#) I think I went to every single game.

[Tino Magnatta:](#) 13 years. That's amazing.

[Ryan Frohberg:](#) Yep.

[Tino Magnatta:](#) That's incredible.

[Ryan Frohberg:](#) During those trips, we would drive up from Detroit to East Lansing, and one of the things I got to do a lot was my dad was obviously doing work, he's a salesperson, so he was getting phone calls, he was one of the first people I can

remember ever having a car phone, back in the days before you could take your cellphone with you. He had his whole car wired up with a cellphone, so I got to listen in, they were always on speakerphone, so I always got to listen to his sales calls, which I think was really, really valuable for me when I was younger.

[Tino Magnatta:](#) Wow.

[Ryan Frohberg:](#) To learn, to get that experience.

[Tino Magnatta:](#) Yeah. That's an invaluable experience. Your grandfather was a pretty big influence on you, too. Right?

[Ryan Frohberg:](#) Yeah. A huge influence. When I was younger, again, I used to fly out there by myself at times, sometimes with my parents, sometimes they'd leave me there then go back home, but I got to spend a lot of time with my grandfather and my grandmother. My grandmother was a stay at home mom. Like I said, my grandfather was a high level executive sales person for Enmon. He actually got started selling paint, I believe the word, Adore, during the great depression for houses, which I'm sure was a wonderful sales job.

A lot of people wanting to repaint their house during the great depression, I'm sure. He always kind of instilled that critical thinking. I can remember when I was really young wanting, you know, arguing with him about being able to stay up later, because it's west coast, and I'm coming from the east coast, and I should be able to stay up later, because it's the summer, and I don't have to go to school, and all this thing.

He, instead of just saying, "Yes," or "No," he told me that I should give him a presentation the next day in the living room to both him, and my grandmother, Dorothy, and kind of like I was doing work presentations, basically, when I was six sitting in the living room telling him the pros and cons of why me staying up later would be good for everyone.

[Tino Magnatta:](#) Yeah. What's interesting about what you're talking about, and it's something that you and I discussed on the call, on the pre interview call, and a lot of great stuff came out of there, is that the formative years to the rest of your life. Right?

[Ryan Frohberg:](#) Absolutely.

[Tino Magnatta:](#) It's basically how it works.

[Ryan Frohberg:](#) Absolutely. At the time, when your younger and you move around a lot, my dad's job pushed him around to a lot of different places, you get to experience a lot of different cultures. I lived in Brea, California when it was a bunch of iron horses up on the top of a hill. I remember going to class, I think, my classes majority Hispanic and Filipino.

I went to Missouri, it was a totally different environment, with a totally different group of people. I was the outcast. I was this skater kid from southern Cal, and here I am in farmland, Missouri. We lived in Chesterfield, which now is very built up, but back then I can remember cornfields right across the street, and I was [crosstalk 00:05:52]-

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) For them. Then, going to Detroit, another big city, totally different environment, as well. It allowed me to experience a lot of different cultures, be around a lot of different things. Get uncomfortable quite a bit. Later in life, it helps out a lot, because nothing really surprised me.

[Tino Magnatta:](#) Yeah. You got a good base, and you got exposed to a lot of things. Even those sales calls must have been pretty amazing.

[Ryan Frohberg:](#) Yeah. Absolutely. Listening to GM, I always laugh, I always tell my dad he asked me questions about like, "What's it like working in a casino," especially when I was a casino host, he kept asking me, "What's it like dealing with these people," and I said, "It's a lot like when you were dealing with people at General Motors, they want everything, and they don't want to give you anything. This is just about the same."

The other thing that was great is having a stay at home mom with me all the time, and her family's from West Virginia. My dad's family is from Detroit, they couldn't be anymore opposite family dynamics there, but it was really nice to get that diversity in my background. To this day I still love chipped beef on toast, some people call it something different, I won't say it on the radio, but flour, corned beef, and toast, you know with some salt and pepper. Meanwhile, my grandfather-

[Tino Magnatta:](#) I just got that visual, dude.

[Ryan Frohberg:](#) My grandfather would take-

[Tino Magnatta:](#) Thanks for the visual.

[Ryan Frohberg:](#) Yeah. My grandfather would take us out to [inaudible 00:07:33] Steakhouse in Detroit, or whatever.

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) It was really interesting to kind of experience both spectrums.

[Tino Magnatta:](#) Yeah. My wife is from those areas. She was actually born in Lansing, so I know a little bit about it. You went to college for accounting.

[Ryan Frohberg](#): Yes.

[Tino Magnatta](#): Right?

[Ryan Frohberg](#): I graduated from high school, I won't say my grade point, but let's just say it wasn't very good. I didn't get a whole lot of letters from colleges. The ones that I did get were from some pretty low level mac schools, and some other places like that. I went ahead and took my ACT and got a 99.9% on that, and started-

[Tino Magnatta](#): Wow.

[Ryan Frohberg](#): Getting letters from the Cornell's, and the Harvard's, and the whatnot. I wouldn't have gotten excepted at those because my grade point just wasn't up to snuff, but I wound up going to Michigan State. I will say that I did do all the essays, and all the things to go to University of Michigan, just so I could get accepted, I did get accepted, and then I ripped out my acceptance letter in front of my friends that were going to Michigan so that they could never use the whole, "You went to Michigan State, because you couldn't get into Michigan," argument with me. That's how much-

[Tino Magnatta](#): Yeah.

[Ryan Frohberg](#): I love Michigan State sports, we get pretty competitive with each other. They've never been able to use that-

[Tino Magnatta](#): Of course.

[Ryan Frohberg](#): Argument against me.

[Tino Magnatta](#): Of course.

[Ryan Frohberg](#): Yeah. I went into accounting, but I think the interesting thing about my college career was I actually took more classes in post modern theory, so a philosophy class that talked about the idea that everybody lives in a different reality, and there's really not a true reality. Really interested me, of course there's no degree for post modern theory at Michigan State, so I didn't get a degree in it, but having just as many credits in that I think has been invaluable in our world, because part of the deal in marketing in casinos is you got to be able to put yourself in the reality of the player, or the reality of the customer, wherever they're going.

Everybody doesn't see the same way. You know? Being able to see things a little bit differently, or know that they're seeing things differently is really, really helpful. I got into college, I didn't really know what I wanted to do as far as what classes I really wanted to go into. I think when I actually applied, I applied as an engineering student, but once I started at Michigan State, I kind of went into general business, and I had a professor, Dewey Ward, that was my accounting

professor, one of the prerequisites for the business school, and he was a really, really neat guy.

I always thought of accountants as being stiff, and kind of boring, but he was not at all. He was extremely gregarious. Great personality. I was like, "He worked in the industry, and he's like that maybe a lot of other people are like that." Plus, it came, honestly, really easy to me, the numbers thing. I can remember when I was a kid playing R.B.I. baseball one, which didn't keep stats, but I remember keeping the stats for the neighborhood in a whole season in a greenbar paper book, that's how much of a stat nerd I was when I was a kid. You know?

[Tino Magnatta:](#) Wow.

[Ryan Frohberg:](#) Keeping the baseball stats for the original-

[Tino Magnatta:](#) Sure.

[Ryan Frohberg:](#) Nintendo.

[Tino Magnatta:](#) Yeah. Of course.

[Ryan Frohberg:](#) I always kept score when I went to the baseball games with my dad. I would always be able to calculate somebodies batting average if they got a hit on their next hit, based on what their current batting average was. I was always able to do math kind of like backwards. Start with [crosstalk 00:11:15]-

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) and go back to-

[Tino Magnatta:](#) The numbers.

[Ryan Frohberg:](#) Figure out what you need.

[Tino Magnatta:](#) The numbers. Yeah.

[Ryan Frohberg:](#) Yeah.

[Tino Magnatta:](#) There was an incident in your life on a balcony that pretty well changed everything for you. Can you describe a little bit about what happened?

[Ryan Frohberg:](#) Yeah. My junior year of college, I moved out of the dorms, and we were moving into a house, there was eight of us going to move into this house, and of course it's pretty exciting, it's the first time your kind of going from the dorms to the house, you know going from high school to college is one step, and then moving into a house with only eight people instead of living two to a room, and all that stuff, and giving me the freedom of having a house, the first night that we

moved into the house, the basement was flooded, so we wound up actually going to another house, which was a friend of friends.

My best friend was there from central Michigan and he was coming up to see our new house, and we were going to hang out, and we were up on the balcony of the second floor of this house, and leaning up against the balcony. My beer was gone, and I looked over at him and I said, "Hey, do you want me to get you a beer, Chris," and he said, "Yeah, sure," and he gave me his cup, and I got up from the balcony and apparently the landlord of the house allowed the kids that lived there to build their own balcony, and gave them like a cut on their rent, because of it, and they built the balcony by nailing in the two by fours to the outside of the wood, instead of using like screws, and things that actually, brackets, and things that actually make it safe.

[Tino Magnatta:](#) Sure.

[Ryan Frohberg:](#) What happened was those nails just pulled right out of the boards. The boards fell, he flipped over the back of the balcony, and it was about an eight foot drop, which doesn't sound that bad, but it just was perfect that he landed, and actually hit his head on the driveway. He wound up passing away-

[Tino Magnatta:](#) Wow.

[Ryan Frohberg:](#) Four days later.

[Tino Magnatta:](#) Wow.

[Ryan Frohberg:](#) Something like that happens to you at 20. I was cruising, I thought life is easy, I'm not really studying that much in college, but I'm getting great grades, because the difference between high school and college for me was homework in high school I never did it. There's no homework at Michigan State. It's either you pass a test, or you don't, or you either do the project, or you don't. There's not really like, "Hey, do these 30 problems."

Everything was cruising and then that happened, and God, man, things fell apart pretty fast that year. I wound up, I think my grade point that year went from a 3.75 overall to down to like a 3.4, because I think I got a 1.5 that semester, or maybe even less than that. I failed a couple classes. Things were not good. Really close group of friends in high school, we had about six of us that were really, really tight, and something like that kind of gets in the way of things for the short-term. We're all really-

[Tino Magnatta:](#) Sure.

[Ryan Frohberg:](#) Close again, now, but people just go their own way. People deal with grief in a different way. I didn't. That was my thing is I didn't deal with grief, and that

wound up kind of coming and biting me in the ass later on in my life. When I graduated from college-

[Tino Magnatta:](#) You got through it.

[Ryan Frohberg:](#) I did.

[Tino Magnatta:](#) You got through it, and it kind of changed your trajectory a little bit. Now, you got into business in a very interesting way. You actually read a book. Right?

[Ryan Frohberg:](#) Yeah. I got into the casino business, because somebody told me that Whale Hunt in the Desert by Steve Cyr was pretty funny, so I picked it up and I read it. My buddies and I were always, you know my buddy Jay and I used to always talk about figuring out all the odds of poker and things like that. I was always interested in gambling, and the gambling industry, and things, and I liked casinos. I'm not really a player, but I enjoy the odds. Again, it's all about the math.

[Tino Magnatta:](#) Sure.

[Ryan Frohberg:](#) I got a book called, Whale Hunt in the Desert from a friend, I read it, it just cracked me up, I was dying, laughing, on half the stories, and I kind of decided at that point, it'd be really cool to be a host. It just so happened at that time I had quit my accounting career. Things didn't go well, because I didn't deal with the grief, I was having some severe anxiety issues, panic attacks, things like that. I even went as much as four and a half months without working at one point when I was in my 20s.

Went through counseling. Met a counselor, or whatever. Kind of learned through that process that it was one of the keys to getting over something like that. Being able to talk to someone who doesn't know you. On top of that, being open and honest about what you're dealing with. You know? A lot of people hide that kind of stuff, they're ashamed. What I found out, even here at this property, there's six or seven people that I know at Casino Del Sol that have dealt with anxiety and panic attacks. You'd be shocked at how many people have to deal with it.

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) At that time, I was like, I quit accounting, I was bartending, and I loved bartending, I loved serving, it was a lot of fun, but you need a career.

[Tino Magnatta:](#) Yes.

[Ryan Frohberg:](#) It just so happened at Desert Diamond in Tucson was having a job fair. I went over to the job fair, I had my resume all done professionally, cover letter, wore a suit. I got there, I was the only person in a suit. I think I was the only person with

a cover letter, and I think I was the only person with a resume. I had never seen an Indian gaming job fair, ever in my life. Most of the job fairs I went to had the [inaudible 00:17:08], the Accenture's, the high end financial, JP Morgan Chase, that kind of stuff.

I had never been to one like that, so I sat down interviewed for a casino host job with Dolores Valenzuela, very, very wonderful person at Desert Diamond. She looked at my resume, and she didn't see any casino experience and she said, "You're not qualified to be a casino host," and I said, "What am I qualified to be?" She said, "A players club representative," and I said, "Okay, I'll take it," and she said, "You don't want to know how much it pays," I said, "Absolutely, not, I do not want to know how much it pays, because I will not take it if I know how much it pays."

[Tino Magnatta:](#) That's great. That's how it all started?

[Ryan Frohberg:](#) Yeah.

[Tino Magnatta:](#) You just got into it. What happened then? You started to get into it. What did you start to figure out? Because you had to figure this all out on your own. Right?

[Ryan Frohberg:](#) Yeah. I got into the players club, and I watched our casino host do their thing at Desert Diamond. At the time the casino host position at that place was a lot like a lot of other places throughout my journey in gaming. I've talked to a lot of other people that run marketing departments, and player development departments and things like that, and I don't think it was any different than a lot of places were.

The host ran around and talked to people and hugged people, and said, "Hello," and got people coffee, and took pictures of people that won jackpots, and they weren't salespeople, they were service hosts, they were like [inaudible 00:18:45] hosts, basically. I knew I could do something different. I knew that after reading that book I'm like, "I can make this company money." I harassed the player development manager almost every day, her name was Linda Neilson, poor lady. I went into her office, and I'm like, "Make me a casino host, make me a casino host." Every day.

At the time, it was in the middle of the great recession, and Desert Diamond salary people's salaries were cut 10%, hourly people had 10% less hours, and I told everybody, as many people as I could, I said, "If you make me a casino host, I will get everybody their 10% back." Finally, she made an opening, I applied, I got the job. I had to find all my own players.

I was the first host there that didn't get their own book of business, so I didn't have anybody, I just had a floor report that I could run, and ran out and got people. When we were creating our host department here, me and Steve Neely,

and Tim Sutherland, or whatever, when we were talking about stuff we always joke around about we're all pretty aggressive, and so I used to do little things even like I take the best desk every time, the one closest to the door, so that I could cut everybody off to go get the biggest player. I'd do anything I could [crosstalk 00:20:07]-

[Tino Magnatta:](#) Right.

[Ryan Frohberg:](#) The biggest players.

[Tino Magnatta:](#) Right.

[Ryan Frohberg:](#) I built a huge list at Desert Diamond. I was doing as much revenue as my entire team, the rest of the team combined, every month. Huge players. It was a great place to work. Eventually, I kind of got to the point where I felt like I was kind of maxed out there. I couldn't really do much more, as far as getting more players, the lack of amenities, it's just really a gambling hall, across town had a lot more. Reached out to Casino Del Sol, they had an open executive host position.

I interviewed with Steve Neely, and Michael Glauser, who is now at Catalyst. Michael Glauser called me maybe three weeks after I interviewed with everybody and said, "Yeah, I got some good news and I got some bad news," he goes, "The bad news is, is you're not going to be the executive host," and I thought, how stupid is this guy, he's not going to make me an executive host, what's wrong with him, that's what I was thinking in my head, and then he goes, "The good news is, is I think we're going to create a new department for you, and you're the guy that I think can create it."

It was a players services department that was basically there to assist the executive hosts, to get rid of that service part, so that they could really truly become salespeople, which is great, because it's exactly what I saw when I was in the players club, which is watching these hosts at Desert Diamond walk around and not really be salespeople. This is a way to build-

[Tino Magnatta:](#) Of course.

[Ryan Frohberg:](#) Something from scratch, and do it in a way, it was great, because I didn't have anybody around me to tell me that wasn't the way to do it. You know? I was able to just kind of build it the way that I felt like it, you know, myself and Michael, of course. Then, later Steve Neely, the way we felt like it should be. That was really great, because we didn't have something, we were able to mold it just from the ground up, so all of these things that I see other casinos struggle with, because it's always been that way, well, we didn't have that worry, because it had never been. It was really cool.

[Tino Magnatta:](#) Now-

[Ryan Frohberg](#): You know-

[Tino Magnatta](#): Sorry, go ahead.

[Ryan Frohberg](#): No, go ahead.

[Tino Magnatta](#): We had quite a long discussion the other day about some of the things the casino business needs to get better at, and you had some pretty interesting views on that, because obviously we talked about how it's starting to become a real business after the crash, but even more now. Let's talk a little bit about that. What do they need to get better at? You call it the day of reckoning, where are we going?

[Ryan Frohberg](#): I think what casinos in general struggle with is this idea that somebody can't from the outside can't come in and be good. I was an accountant. I was a finance manager. I was a financial analyst. I came into marketing, and the casino world or whatever, and not very many people would do what I did. There was not many people that would take a six figure job in accounting, quit, go bartend for a little bit, and then take a \$9.88 an hour job in a players club to work their way up.

I just think that we're missing out on so much talent that's out there, that understands data better than casinos ever will. That understands financials that these other companies have to. When I was in automotive, it didn't matter what department you were in, you had to understand financials, because our margins were somewhere between 4% and 7%, if we had a 7% margin, we were doing cartwheels. The line is so thin, when I was finance manager, these are my friends, and we're barely making payroll. The stress that you're under every day, the competitive nature of the business-

[Tino Magnatta](#): Yeah.

[Ryan Frohberg](#): Is that you got to understand every little nook and cranny, you've got to make every penny you can, and you've got to save every penny you can without hurting revenue. I think that's the reckoning that casinos are going to get to is it's no longer going to be, you know, on the pre-interview, on the call that you had on there, I used Lady Gaga as an example, you can't just have a Lady Gaga residency, because it's cool. It's got to make money. That's an extreme example-

[Tino Magnatta](#): Yeah.

[Ryan Frohberg](#): Because most of us in this business are never going to have a Lady Gaga residency, but it goes for everything. I mean, if you're going to have a lounge act, and you're going to spend a \$1,000.00 on that lounge act, that lounge act better make at least a \$1,001.00 or else eventually this golden goose is going to dry up, and it's going to start becoming really competitive. The people that just go out there and waste a 1,000 on this, and waste 2,000 on that, and don't

actually have data and analytics to support what they're doing, they're going to be gone.

It's just, I see all the time in a bunch of casinos, I go to I see it even in our own casino, still, today, where we're not as good as we need to be. We're better than most, I think. I think there's some really good casinos out there, but to take the next step, we can't have minimum qualifications on jobs that say you need seven years or 15 years casino experience, because there are great people that are out there in retail right now that are in super competitive markets that can come into this market and blow it apart. You know? Just kill everyone, because that's the nature of their business.

If you're sitting at Bed, Bath, and Beyond five years ago, and you see Amazon out there, I mean, you're going to be dead if you don't get good at it. You're not going to win. There's no winning in that environment. The only way that you can do it is with data, and analytics, and understanding the business from start to finish. Not just understanding a casino, but understanding real marketing when it comes to things like that.

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) [crosstalk 00:26:30].

[Tino Magnatta:](#) They were in a bad situation. Right? Bath, Bed and Beyond, and they brought someone in from-

[Ryan Frohberg:](#) Yeah.

[Tino Magnatta:](#) Outside.

[Ryan Frohberg:](#) Yeah.

[Tino Magnatta:](#) Right. Something like that?

[Ryan Frohberg:](#) They brought somebody in, and it turns out that person's no longer there, and they're in a bad situation, again.

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) That person wound up taking another job, but that's the point, the point is that they started doing better, and now they're not doing well again, because they lost the talent, and that's the key is getting people that have talent, not experience, necessarily. I always say, people are like you can't coach attitude, you also can't coach talent. If you've got a good attitude, and you got a lot of talent, but you don't have a whole lot of experience, to me, that's a pretty good employee. I'd much rather have somebody who has all the talent in the world, and all the passion in the world with no experience than somebody with all the

experience, and no talent. I mean, why would you want somebody with experience-

[Tino Magnatta:](#) [crosstalk 00:27:28].

[Ryan Frohberg:](#) Not good.

[Tino Magnatta:](#) And adding-

[Ryan Frohberg:](#) Yeah.

[Tino Magnatta:](#) [crosstalk 00:27:30] of that, because they think that they know what they're doing.

[Ryan Frohberg:](#) Exactly. You could have no experience and be great. You cannot have a terrible attitude and be great, and you cannot have no talent, and be great. It's just not possible. Those, to me, talent and attitude are the two most important things. The other thing that I think that we really need to do a better job of in marketing and casinos is really understanding what true incremental revenue is.

I see all the time, when I go out there, and people are like, "We had this great event, we had a 100 players come in, and they all played a \$1,000.00, so we made a \$100,000.00," well, "No, you didn't." How many of those people would have been on the floor, anyways? How much free play did they redeem? How much incremental free play did they redeem, that they would have normally not redeemed? All the different things that go in there, but really truly understanding true incremental profits.

These things need to be measured to that level. We need to get to the point where these ideas when somebody tells me they had a 400% ROI at an event, that's not real, there's no way you had a 400% ROI on an event. A successful event in a casino can be 20% to 80% ROI with true incremental profit, if you measure things as true incremental profit.

You have to be able to look at how many trips they were making before the event, how many trips did they make with the event, all the different things that might impact how many trips were made, because of your continuity gifting, how many trips were made because you have a unique day, free play offer on Saturday? All these different things come in. The data is very complex. That's why it's so important that we go out, and we find the talent that we need to in this industry.

One of the things I thought was really interesting about the conference up in Scottsdale, and it was a very small group of people that we had there, but we talked about casinos having to take that next step, and pay for the talent. How are you going to compete in an environment for analysts when you've got

Amazon down the street paying \$250,000.00 a year with a bigger name, when you're posting analysts positions for \$65,000.00.

[Tino Magnatta:](#) Yeah.

[Ryan Frohberg:](#) You're going to get a \$65,000.00 analyst. You're not going to get anybody good.

[Tino Magnatta:](#) Right.

[Ryan Frohberg:](#) You might as well not even open the position if you're going to do that, because you're just wasting your time, and you're going to get somebody that's going to actually do more damage to your company than help it.

[Tino Magnatta:](#) Yeah. Absolutely. What is your advice to the younger generation coming into the business? What would you tell them?

[Ryan Frohberg:](#) I would tell them that it's all about really learning on your own, and finding true mentors that really can push you. I've had some really good ones throughout the years. Glen [inaudible 00:30:28] was a player development manager at Desert Diamond, and kind of took my passion and cleaned it up a little bit, and made me a really polished sales person. Mike [inaudible 00:30:40], was over there, he done a bunch of crew ship stuff, he was in Tunica, and Biloxi, an english guy, great, great mentor.

When I got over to Casino Del Sol, learning under Mike Glauser, PD guy from Atlantic City and Vegas. Great, great experiences. Then, having Steve Neely come in with all of his database, and advertising, and marketing, and entertainment experience was awesome. It's really choosing who your mentors are. A lot of people I see look at people that have 30 years plus, and the experience in the business, and they think, well, that should be my mentor, because he probably knows the most, but I've found that, that's not always true.

A lot of times the people that have been in the business for 30 years, and bounced around a lot of different places aren't any good. Why would you want to have a bad mentor? It's really picking mentors, and finding those people that really not only, and I guess the second part of that is they also have to actually care. A lot of people say they care because it's a good company line, and it's a good way to keep your job, but then they don't show you that they actually care.

They say they care about your development, but the reality is you can ask them until your blue in the face for development, and they won't give it to you. Finding people that will actually sit down and talk to you about the business and really go back and forth, it can't be just a one way street with this either. The things that I appreciate about all those people is I was able to throw ideas at them, and they were able to kind of tweak them with their experience, they knew that what I had was a good idea, they knew that it just needed to be

tweaked a little bit, because of compliance, or because of the situation that we're in or whatever it might be.

They taught me that the little intricacies that where experience does matter. That was invaluable, so that's what I would tell people, that come into this business. The other thing that I would tell them is if you're going to do it, go all in. The one thing about the death of my friend, I think, and when I finally dealt with it was in my life I made the decision that I'm not going to half ass anything, anymore.

When I go to do something, I'm going to do it all the way. I'm not going to go and scare, or tentative, I'm going to be me, I'm going to do it my way. Clearly, I'm going to learn from people, and I'm going to make mistakes along the way, and my way is not always the best way, and I'm going to learn new ways to do things, but really just having that passion and know what you're doing is the right thing.

[Tino Magnatta:](#) Yeah. Absolutely. Like you said, passion is the key. Should we take some calls? We got a lot of people-

[Ryan Frohberg:](#) Sure.

[Tino Magnatta:](#) Lined up, here, that-

[Ryan Frohberg:](#) Yeah. Absolutely.

[Tino Magnatta:](#) Great. Okay. Here we go. Hello. This is Tino Magnatta. I have Ryan on the phone. Do you have a question for him?

[Steve:](#) What's going on gentlemen?

[Tino Magnatta:](#) How's it going?

[Ryan Frohberg:](#) I know that voice.

[Steve:](#) Good.

[Ryan Frohberg:](#) How you doing, man?

[Tino Magnatta:](#) Yeah. I'm sure you do, so do I.

[Steve:](#) I don't really, you know trying to figure out what do I ask Ryan? I'm used to telling Ryan, not asking. No, I'm kidding.

[Ryan Frohberg:](#) Yeah.

[Steve:](#) First off, thank you for the kind words. We did a lot of fun stuff together. As far as people that really took advice to heart, and made it apparent I wasn't wasting my time, you were right there, and of all the people I've had as a member of my team in the past, you're right there as one of the ones that absolutely rose to the top, and I've really enjoyed working together, becoming friends, and watching you grow. That was very rewarding for me, as well. Through the process, I guess, going to a question, we spent a lot of time reading, and practicing, was there any of the books, or any of the articles that I sent your way that you felt made an impact on you, and would be worth recommending to someone else? If so, why?

[Ryan Frohberg:](#) You know, I think I got something out of each, and every one of them, but certainly the first one you gave me, How To Win Friends and Influence People, speaking of taking advice to heart, but again I walk in pretty cocky, and thought very self important, but that helped me to control that a little bit better. I'm not going to lie, I'm still that way sometimes.

[Steve:](#) Really?

[Ryan Frohberg:](#) I try not to be. From the business standpoint, on a personal level that probably was the most important, especially in my own personal life, like outside of work. From a professional standpoint, I would honestly say it was the first one you had us read, which was Purple Cow, and just seeing it, you always know that it's there, you always know this idea that businesses that stand out will always do better, but to have it on paper and showing specific examples of it really is very eye opening when you start thinking about how businesses and marketers make their product look different than everybody else's and stand out. In today's world I think it's so important to stand out, because there's so much information, just being blasted at you every day that if you don't stand out it's going to get lost. I think that would probably be the book that I thought probably made the most impact on me..

[Steve:](#) Good deal.

[Tino Magnatta:](#) You're talking about the Seth Godin, book. Right?

[Ryan Frohberg:](#) Mm-hmm (affirmative). Yes.

[Tino Magnatta:](#) Yeah. Actually, speaking of Seth Godin saw him at [inaudible 00:36:53], New York speak, and that's when there was a book that he wrote, one of his first books, which was very, very popular it was, Permission Marketing, and it was completely fascinating and took the whole agency world by storm, and I saw him speak. He was an incredible speaker. Just incredible speaker.

[Steve:](#) I also think that's someone not in the casino world that can have a great influence, if you will just listen to the principles. It certainly does apply to our industry. We can learn a lot from those guys. Anyway, I just wanted to call in

and congratulate you on your success, and it's been a pleasure. I'll listen to the rest of the show offline, but thanks for everything you've done for me over the years.

[Ryan Frohberg](#): Thank you.

[Tino Magnatta](#): Thanks, Steve.

[Ryan Frohberg](#): The pleasure is all mine.

[Steve](#): All right, guys.

[Ryan Frohberg](#): Appreciate it.

[Tino Magnatta](#): Thanks for calling in.

[Ryan Frohberg](#): See you later, Steve.

[Tino Magnatta](#): Take care, buddy. Great guy.

[Ryan Frohberg](#): Yeah. Great guy.

[Tino Magnatta](#): Great mentor. Yeah.

[Ryan Frohberg](#): Great mentor. Anybody who works him should absolutely listen to him.

[Tino Magnatta](#): Hang on one sec. Hello. This is Tino Magnatta. I have Ryan on the phone. Ryan Frohberg, do you have a question for him?

[Michael](#): Hello? Is that me? Is that me, Tino?

[Tino Magnatta](#): Yes, sir.

[Michael](#): It's Michael out in Oklahoma. How you doing?

[Tino Magnatta](#): Michael, how are you?

[Michael](#): Not too bad. How are you guys doing?

[Ryan Frohberg](#): Good. Thanks for calling in.

[Michael](#): [crosstalk 00:38:16]. I've got a couple quick questions for Ryan.

[Ryan Frohberg](#): Yeah.

[Michael](#): First of all, how nervous were you at halftime, today?

[Ryan Frohberg:](#) A little nervous. A little bit more nervous when it was 55-54 with six, and a half to go.

[Michael:](#) Right. I thought he was going to blow his top, I really did. I thought Izzo's head was going to pop right off his body.

[Ryan Frohberg:](#) Yeah. Luckily, [inaudible 00:38:43] took over and [inaudible 00:38:44] run there, and then at least we didn't have to sweat it out at the end.

[Michael:](#) All right. We were thinking about you when I was watching [inaudible 00:38:51] almost [inaudible 00:38:52], but congratulations on the victory.

[Ryan Frohberg:](#) Thank you.

[Michael:](#) That was a great game to watch. Anyways, speaking of sports, I just kind of wanted to get your take real quick on how you think sports is going to impact, not just Arizona, and Del Sol, but Indian Country in general?

[Ryan Frohberg:](#) You know, I think the idea that sports betting is going to change our industry a bunch is probably not going to happen. I just don't think there's enough money out there, and then on top of that in single individually owned companies that are in individual markets, it puts us at a huge risk, if we just open a sports book on our own.

Let's not even talk about the idea of how do we handicappers, and people to actually pay attention to the spreads, and all that stuff. If Tom Brady gets hurt right before the Superbowl starts, or whatever, who's going to change that spread right away? I think we're going to have to outsource it, because of those issues, and because of that you're not going to get all the money. You have to outsource it to kind of elevate the risk.

In our market, if we didn't, and we just took bets, and we kept all the money, and maybe we used somebody to set the lines, and somebody to put the boards up, and all that stuff, if U of A won the national championship one year when they were a 100 to one, the sports book would be closed the next day, because-

[Michael:](#) Right.

[Ryan Frohberg:](#) Money left. I think there's a lot of issues that individual companies are going to have problems with, because you don't have the national ability to spread all that risk, over many different markets. We've run some numbers on it. It's sad, and again talking back to something that was said earlier in the interview, when I worked in automotive we picked up every penny on the floor, and here I am looking at this thing it's definitely got zeros in it, and I'm like, it's not really worth anybody's time, because it's not worth that much money.

Clearly, I think all of us would want to have that kind of money in our bank account, so it is significant in that respect, but I think generally where I think a lot of the advances in sports betting can happen is with technology, and being able to do end game stuff, and some micro transaction stuff I think could be really big. One of the things that I think going to some of these mobile game conferences has taught me, and picking the brain of the people that run these mobile games is those .99 cents, 4.99, 2.99 transactions, people are more than happy to just 2.99, 2.99, .99 cents before they know it they've spent a \$1,000.00.

Again, if you've got a guy at a bar, it's very much like playing video poker. Is it going to be a run left? Is Steph Curry going to score more than eight points this quarter, that kind of stuff. It could be really interesting on some tablets and mobile devices where you can put money in a bank, and gamble it over time, and it becomes something else for somebody to do and it becomes that sports book.

It's not really your traditional sports betting, but I think with micro transactions you can probably make a lot of money doing that, if you could get the risk out of it, where people aren't, you know, Steph Curry is not going to tank the second quarter to make a bunch of people money. Again, I'm not talking about people putting thousands of dollars on these things.

[Michael:](#) Right.

[Ryan Frohberg:](#) I'm talking about hundreds of dollars at the most on these different little prop bets, and game, and things like that, that could be really interesting, especially in a locals market, because you do prop bets in a locals market, the risk is no longer there. Everybody's going to want to bet on the UVA game, kind of deal, so if it's-

[Michael:](#) Right.

[Ryan Frohberg:](#) UVA is going to score 40 points or more this quarter, even if money's going on both sides, then that's how we win, and there's no risk. I think those types of things could be really interesting in the long run, but again the technology needs to get there. More importantly, the regulators need to get to the point where they allow that sort of thing.

[Michael:](#) Right. All right. Thanks. Great answer. I'll probably run into you guys next week. I'll see you guys later.

[Ryan Frohberg:](#) All right. We'll see you. Thank you.

[Tino Magnatta:](#) Take care. Thanks for calling in, Mike. Appreciate it. Hello. This is Tino Magnatta. Do you have a question for Mr. Ryan Frohberg?

[Michael Glauser:](#) Good evening, gentlemen. This Michael Glauser from Catalyst Marketing. How are you guys?

[Ryan Frohberg:](#) I'm good. How are you, Michael?

[Tino Magnatta:](#) Good. How are you doing?

[Michael Glauser:](#) Good. Like, Steve, thanks for the kind words.

[Ryan Frohberg:](#) You're very welcome.

[Michael Glauser:](#) I appreciate it. We talk pretty regularly, so I don't have a lot of questions, so to speak, but I do have a quick story about when Ryan came on to Del Sol, just to add to his jumping across. He comes into my office interviewing for this executive host spot we had open, and had a very analytical approach to his job as an executive host, and I just sat there thinking that why this guy a host?

He's coming at me with things that you wish PD people had thought through, and a lot of them don't, he had that mix of personality and analytics to back it up, to be successful at that job. I remember just sitting there going, "This is perfect for what we had wanted to accomplish at Del Sol," so I think like I said, the rest is history, once we had the idea to bring him on board, congrats on all the success you've had there.

[Ryan Frohberg:](#) No. Thank you. I owe a lot of it to you, so thanks for everything that you did when I got here.

[Michael Glauser:](#) Yeah. My pleasure. Going from, [inaudible 00:45:06] understand starting in a position, I went back and started my career full-time, even after doing some coops, and [inaudible 00:45:13] Atlantic City, my first full-time job was at the club, as well. My parents almost shot me, private school education, and I went and took a \$7.95 an hour job after college, instead of going into the beverage side as a manager, or the hotel side as a manager, I wanted to get into marketing, so I kind of fit the same kind of path, where, hey, this is where I want to begin to get in marketing, but starting there, working your way up through the ranks, and through all the positions, what's been the biggest adjustment that you feel you had to make now that you're at the C-suite level?

[Ryan Frohberg:](#) Honestly, I would say there's probably two of them I think that are the craziest to me, and that's the politics, and you've got two different types of politics. You've got your internal politics. You've got this employee made that other employee in some other department mad, and some of them are laughable, and some of them are serious, and you got to deal with each one of them differently, but just the amount of time that takes up in my world is insane. Then, on the tribal side, the things that I was insulated from when Steve was sitting in my chair, just it gets in the way a lot of times.

The things that could make the company more money, or to make us more efficient, or make us more successful, to make your employees better, all the different things that pop in. the politics getting in the way of that, is difficult. Every place has politics, but when I got into, you know when start getting into the C-suite it's never ending. The second thing is probably just, for a lack of a better way of saying it or whatever, and excuse my french, but you're basically a whore, and everybody wants a piece of you. It's really hard.

Everybody wants to have dinner. Everybody wants to go to happy hour. Everybody wants to do this. Everybody wants you to go to this thing, and this, and that, and that event, and all these different things around the city and it's like you like all these people, they're all really good people, and you want to go to all of them, especially when it's something that you're supporting one of their causes, or something they care about. You'd really like to go, but if you try to go to all of them, which at one point I did, you're going to kill yourself. I was like, I'm right back where I was when I worked at Deloitte & Touche, and I'm working a 140 hours a week.

[Michael Glauser:](#) Yeah.

[Ryan Frohberg:](#) What am I doing? You know?

[Michael Glauser:](#) [crosstalk 00:47:58].

[Ryan Frohberg:](#) I don't want to deal with this. It's really hard. Then, on top of that there's all these vendors out there that probably have great products, and right now I'm looking at my phone, and I've got I think 43 voicemails right now, and it's just from today. I'm not going to listen to those. If I listen to my voicemails, I'd be listening to them all day long.

That being said, for those of you that are listening that leave me voicemails on my desk phone, forget about it. You're getting listened to I delete them right away, because there's not enough time. There's basically not enough time in the day for me to actually listen to them. Things like that, just the amount of time that's spent doing things that really aren't adding value to the business, whether it's the politics side-

[Michael Glauser:](#) Right.

[Ryan Frohberg:](#) Or it's just the amount of distractions that come into play. Then, having to balance, even more than ever, having to balance that work life, you know, keeping your life as balanced as your work. Again, going back to the story about my friend, and dealing with all the things I dealt with in accounting, it was one of the problems was my work, life, balance was out of whack, and because I didn't grieve when I needed to everything blew up in my face.

[Michael Glauser:](#) Yeah.

[Ryan Frohberg:](#) Learning that at a young age was really helpful, because I just learned that I got to have a life. If I don't have a life, I'm not going to be happy, and if I'm not happy, I'm not a good worker.

[Michael Glauser:](#) Yep. Very well said.

[Tino Magnatta:](#) Awesome.

[Michael Glauser:](#) Great. It is.

[Tino Magnatta:](#) I was going to say, I don't think anybody will ever accuse Ryan of not being open and honest.

[Ryan Frohberg:](#) Absolutely.

[Tino Magnatta:](#) Yeah. Great. Thanks, Mike. Appreciate it.

[Michael Glauser:](#) Okay.

[Ryan Frohberg:](#) Thanks, Mike.

[Michael Glauser:](#) Take care, buddy.

[Tino Magnatta:](#) Hello. Do you have a question for Ryan?

[Speaker 6:](#) Aloha. [inaudible 00:49:54], how's it going?

[Ryan Frohberg:](#) Good. How are you doing-

[Tino Magnatta:](#) [crosstalk 00:50:00].

[Speaker 6:](#) Good. Good show, so far, guys. Hey, Ryan, honestly, we've had plenty of time to talk, what's something that, I guess you get frustrated, you want to add that extra value, that extra revenue, and you just can't seem to move the needle where you're at right now, and what do you think some of those hurdles are?

[Ryan Frohberg:](#) You know, certainly the first hurdle is always the talent of mining the data. It's just spread so thin, these things, and I'm not talking about from a gaming perspective, I'm talking from a business perspective. There's just not enough good business analysts out there to get the data in a way that you can use it, and actually attack the other part of it.

In our world, the one that's specific to us, to me, is I came from the Deloitte world where everything was integrated. You didn't have 18 log ins, you had one log in. That log in with time and expense, it had your audit files in there, it had access to the company that you were working on files, everything. Everything was there.

It was all part of one system that was self built by Deloitte, and then you get into gaming, and you've got IGT, but then you've got [inaudible 00:51:20] talking to IGT, but then you also have [inaudible 00:51:25], and [inaudible 00:51:26], or whatever as your POS system, and they say it's an integration, but it's really not. It's not really an integration. The data doesn't go to each place. Trying the build all of these different systems on top, to sit on top, of these systems, and there's a million of them out there and all of them say they can do everything, but none of them can do anything, or-

[Tino Magnatta](#): Yeah.

[Ryan Frohberg](#): I shouldn't say none of them could do anything.

[Speaker 6](#): [crosstalk 00:51:48] \$25,000.00 extra. Right?

[Ryan Frohberg](#): What's that?

[Speaker 6](#): All for \$25,000.00 extra, hey, we can do that, for an extra 25,000 bucks.

[Ryan Frohberg](#): Yeah.

[Speaker 6](#): [crosstalk 00:51:58].

[Ryan Frohberg](#): Then, it doesn't really do it the way that really is helpful. Going back to something that Glauser said, I think the thing that was nice about that person telling me that I didn't have enough experience to be a casino host was having to work every job in marketing, from the ground up, allowed me to when we're building systems now with these vendors to be able to put them in a format where the people that are actually going to use them need it that way, because I know what they need, because I was sitting in their shoes at one point. Going, "Man, I wish I had this."

Where it's a lot of these people that build a lot of these systems, "Oh, I was a PD manager," "Well, great, but you weren't a host, so what good are you?" You're not going to really have a whole lot of things that allow you to help a host work more efficiently. I think the system's problem is always going to be a problem. Just getting all the data merged together. We've got data in our hotel system. We've got data in our food and beverage system. We've got data in our gaming system.

Somebody is spending all that money, but trying to piece it together and say, "How much is Mike spending," is very difficult. It goes back to what I said about the reckoning that's coming in gaming, as it gets more competitive, and more and more competitive you're going to have to make, beverage is no longer a loss leader at casinos. It's a profit generator. As gaming revenue gets spread thinner and thinner, it's not that gaming revenue is going down, it's just more

people are sharing it, and you're going to have to start making more money on food and beverage.

You're going to have to start making more money on entertainment. You're going to have to start making more money on everything else. Selling cigars. Whatever it might be, I don't care what it is, you're going to have to make more money. To make more money, and to market to people, you've got to have data. Getting that data in a clear, concise format is extremely difficult.

[Speaker 6:](#)

Yeah. That's a good point, and it kind of leads right back into, and you see this obviously at the corporate level in some successful travel properties have done it where you have that universal card element where it literally connects to everything, and it does dump into the data warehouse, which is fantastic, but not everybody has the expenses.

You mentioned before where you're talking to multiple vendors, they'll really look at reliable people to create that solution that you're looking for. Are there ones that you've kind of identified as these guys are really cutting edge, and they're really going to make that difference for the reckoning?

[Ryan Frohberg:](#)

You know, we'll see, I'm waiting for our audit report to come back from a company that I met at a non-gaming conference. It's a [inaudible 00:54:51] company that worked with Panera Bread, and Domino's, Aruba, some other places. Again, take that chance with somebody that's got tons of talent that doesn't have any gaming experience, but understands marketing. You know?

[Speaker 6:](#)

See what happens.

[Ryan Frohberg:](#)

Like what Steve said in his question, the end of his question, when he was talking about learning from people that are marketers, and not just gaming marketers, is really important, because they come at these problems from totally different angles that make the problem so much easier to solve.

[Speaker 6:](#)

That makes sense. That's a great point. I got one more question, you've had the benefit now on the air with Steve and Mike there, so what are you adding, not that they did anything wrong, but what are you now adding to their role that they helped set the form, and now you get to add to it, what do you think you're adding to that position, now?

[Ryan Frohberg:](#)

I think the biggest thing that they set the floor to be able to have a really solid foundation for player development, and database when they both got here, let's just say it wasn't very sophisticated, but it's taking that solid foundation, which is turning it into a very highly productive player development, and database program to taking it to a whole other level is what I'm trying to do now. I've got that baseline, so how do we make it better than everyone?

Now, I feel like we're in the top percentile, but how do I make it better than everyone else's? How do I do things a little bit differently than other people? I think that some things that Steve always taught me the most was just because nobody else does it doesn't mean it's not a good idea. There's a lot of things that we're going to try. A mistake is something that you do wrong, it's not wrong unless you keep doing it after it's wrong. It's one of those things.

You can't get any better, if you don't try new things. You have to measure them immediately, and you have to be able to turn them off immediately if they're not working. That's one thing I think I've been able to do is what they built and then being able to take that next step to be able to try all these new things.

[Speaker 6:](#) Fantastic, sir. Glad to hear it. You guys are doing a great show, and you guys have a good night, tonight.

[Ryan Frohberg:](#) All right. Thanks, Mike.

[Tino Magnatta:](#) Thanks, Mike. Appreciate it. Bye-bye.

[Speaker 6:](#) Have a good one.

[Tino Magnatta:](#) It sounds like he was at a baseball game or something.

[Ryan Frohberg:](#) Yeah. Something like that.

[Tino Magnatta:](#) Nice to hear. Yeah. Did you get that base? This is Tino Magnatta. I have Ryan on the phone. Do you have a question for him?

[Speaker 7:](#) Hi. Yes, I actually have two questions for you Ryan. I've enjoyed listening to you talk so far. I just have a question, sometimes I'm with odds with finance versus marketing when it comes to an environment of the casino, and you mentioned a lounge act for a 1,000 bucks if they're not making a 1,001 bucks there out, how are you quantifying that 1,000 bucks? [crosstalk 00:58:12]. Go ahead.

[Ryan Frohberg:](#) What we do, basically, is we go into the system, we look up the revenue at all the different areas that are around that lounge necessarily. Gaming is pretty tough to judge with a lounge act, necessarily, but one place where you can purely see how much impact the lounge act has is on alcohol sales at that lounge. Some things that we've done is we look at ticket counts, beverage sales at bars, beverage sales and cover charges, et cetera. The different things that you can attach to that directly. Clearly, if you had talking about what Michael had, if you had a universal card that everyone adopted it would be really easy.

[Speaker 7:](#) Right.

[Ryan Frohberg:](#) To find out what that incremental profit was, but that's how we do our lounge acts is we look at the revenue at the bars. The other thing that's nice every once

in a while is you look at a day where, you know, it's hard if you've been doing it forever, it's always difficult when you don't have a baseline, because you really don't know unless you take the risk and turn it off.

When you've not done it, and you start it, it's pretty easy, because you can see what it was before, and you can see what it was after, and minus out all the cost of everything that you're doing, and see if it makes money. Like I said, I think the longterm strategy has got to be to get as much data collected on everyone as you can, so you can start to see what your players, or I shouldn't even say your players, because that's one thing that Tino and I talked about in the pre-interview was we got to stop talking about players, we've got to start talking about customers.

[Speaker 7:](#) Yes.

[Ryan Frohberg:](#) Steve Neely said it best, or whatever, to me one day, "If you give me a \$100.00 in profit, I don't care if you stick it through a slot machine, put it in a hotel room, leave it on the counter, throw it on the floor, put it in the trashcan, and let me pick it out, it doesn't matter, you gave me a 100 bucks. You're worth a 100 bucks."

[Speaker 7:](#) Yep.

[Ryan Frohberg:](#) Whether you do it in gaming, or in food and beverage. Again, it's a \$100.00 in profit, not a \$100.00 in revenue, so everything has a different profit margin, but if you give me a 100 bucks, you're worth a 100 bucks, you're worth a 100 bucks.

[Speaker 7:](#) [crosstalk 01:00:32] moving in that direction. [inaudible 01:00:38] although interface is enough [inaudible 01:00:40] alluded to earlier.

[Ryan Frohberg:](#) Yeah. Vegas has moved it's business model in that direction for sure, but they're horrible from a marketing standpoint, I mean from a direct marketing standpoint. They're phenomenal when it comes to advertising and media, and things like that, but-

[Speaker 7:](#) Yeah.

[Ryan Frohberg:](#) I've never seen anybody bring out their Mlife card at [inaudible 01:01:03] and put their table charges on their card. I've never seen that. They obviously don't have adoption of their royalty program in their nightclub, which they should. The people are spending enough money in there, they should be able figure out things. Now, I know they do it through the guest list and things like that.

They clearly take care of those people that are spending lots of money, but it would be really nice in smaller scale that's not as obvious when you have a huge bar with thousands of people at it, you don't know that there's somebody in there spending a \$1,000.00. You don't know that somebody's in there spending

\$600.00. You just see, man, that bar was packed that night, and we made a lot of money, but getting that group that's spending on things that aren't gaming that data collected, and using it, I think is going to be invaluable in the long run.

[Speaker 7:](#) I agree.

[Tino Magnatta:](#) Very well said.

[Speaker 7:](#) One more question, I'm sorry did I cut you off?

[Tino Magnatta:](#) No. Go ahead.

[Speaker 7:](#) Okay. My next question, is a total shift in gears here regarding player development, what's your opinion on in sense of programs or hosts?

[Ryan Frohberg:](#) If you don't have one, you don't have player development. That's my opinion. [crosstalk 01:02:18].

[Speaker 7:](#) I like the way you think.

[Ryan Frohberg:](#) I think the idea of having a bunch of salespeople walk around and not being bonused is insane. I don't like going places that don't commission salespeople, I don't like spending money at places that don't commission their sales people. I know they always say, "Our salespeople aren't commissioned, so they're not pushy," they're also not going to work, and they're not going to help me, if they're not commissioned. You know? Quite frankly, at the end of my career as a casino host we were not commissioned.

At the end, you get to the point where you don't answer that phone call because you don't care. Why should I answer a phone call, I'm already doing more than everybody else, so I'm not going to lose my job, because I don't have production. If I'm not going to lose my job, because I didn't answer that phone call why should I answer that phone call, why shouldn't I just crack another beer and sit in the pool? Because that sounds like a lot better deal to me. If I'm getting commission on that person, I'm answering that phone call.

On top of that I think it speaks to a larger problem in our industry, and I think this is just in business in general is this upside down compensation model that's out there that you've got a director of group sales, for example, at a tribal property making a \$165,000.00 a year, making the company maybe a million, maybe a million, five, maybe two. Then, you've got your best casino hosts making \$50,000.00 a year, making the company eight million dollars a year, that doesn't make any sense.

It's completely backwards. I don't get it. Why would you do that? That means you're going to get one of your worst employees as your most important employee, because again speaking to the analyst problem of a Seattle casino

paying \$65,000.00 to an analyst in the backyard of Amazon, you get what you pay for.

If you're not going to go after the most talent, and the only way you can go after the most talent in the host world is paid commission, or paid bonus, and if you don't do that then you might as well just take the whole department out and just do a better job of direct marketing, because that's what you have. You have a [inaudible 01:04:39] program.

[Speaker 7:](#) Right.

[Tino Magnatta:](#) [crosstalk 01:04:43].

[Speaker 7:](#) I like the way you think. We started, I've been in the business a long time, probably too long for your taste, but incentive programs have worked very well, because I think human beings are [inaudible 01:04:55] basically lazy, sometimes, and to motivate the host, to not just call the same 15 people to come to the event, but to really branch out, and develop new players, I think, an incentive is really what's needed to make that work, and I'm glad to hear that you were very adamant about the way you attack that.

[Ryan Frohberg:](#) Yeah. Absolutely.

[Tino Magnatta:](#) Great. Thanks so much. That's fantastic.

[Speaker 7:](#) All right, guys. Thanks. Have a good night.

[Tino Magnatta:](#) Thank you.

[Ryan Frohberg:](#) Thank you.

[Tino Magnatta:](#) Thanks for calling in. All right. Ryan, it's been a fantastic interview. A lot of great questions. I really appreciate you being on the show, and hope you'll be on the show, again.

[Ryan Frohberg:](#) All right. Sounds good. Thank you, Tino. It was a lot of fun.

[Tino Magnatta:](#) Yeah. This has been incredible. Thank you, so much. I love your views on the business. It's in line with pretty well what I've been thinking about, too. I really appreciate it.

[Ryan Frohberg:](#) All right. Thank you, Tino. I will see everybody at NIGA in a couple weeks.

[Tino Magnatta:](#) Yep. See you there. Talk to you soon.

[Ryan Frohberg:](#) All right. Talk to you soon, Tito. Thank you.

[Tino Magnatta](#): Goodbye. Bye-bye.

[Ryan Frohberg](#): Bye.

[Tino Magnatta](#): Great interview. Great guy. A lot of knowledge. Yeah. He's on the ball. Monday, March 25th, I have Wendy Carter, she's at Cache Creek. She has an amazing story. Lots of experience. They're going to be doing amazing stuff over there, and remember everybody's got a story to tell, you just have to have time to listen. God bless, and have a great evening ...

END