



Conversations w/Tino

Guests	Bruce Howard
	General Manager
	Valley View Casino
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Tino Magnatta: Welcome to another episode of GT Radio, and I'm Tino Magnatta, and tonight we have a very good friend and a great guy, Bruce Howard. How are you, Bruce?

Bruce Howard: Great, Tino. Appreciate the opportunity to talk with your listeners and talk with you. I'm looking forward to tonight's show very much.

Tino Magnatta: Well, Bruce, you know, I would love having you on the show. You've got the best stories and just all around amazing.

So, tell us what you've got going on, because you're cooking. You're close to an opening, right?

Bruce Howard: Yes, we are. On July 3rd, 18 months of planning, and organizing, and building, and creating both 43,000 additional square feet, and a complete renovation of our current 100,000 square feet of casino and restaurants will be complete. So, what started a year ago, in February of 2018, is coming to a beautiful culmination in about three weeks.

Parts of the expansion and parts of the renovation have already opened up, but it'll be complete, and we're doing a ceremonial ribbon-cutting. I'd love to have anybody who wants to come by, July 3rd, between 9:00 and 11:00 a.m. I think whether you've been here before, or whether you have not been up in Valley Center, California, the Valley View Casino and Hotel, you will be really happy with what we've done. It's really, really turned out nice.

Tino Magnatta: Can't wait to come up, Bruce. I think it's going to be amazing. Tell me a little bit more detail about some of the restaurants, and the entranceway, and just what you've done, specifically.

Bruce Howard: Absolutely. My background, my first 15 years in the business, was in the food and beverage side, and the last 18 years have been more at the general manager, casino, marketing level. Tried an extraordinary opportunity, having been the food and beverage director at Caesars Palace on the strip in the early '90s, to get a first-hand look at how important food and beverage has become to the casino industry.

So, when I came here to Valley View in 2003, I said, "That's a chance we have to make a difference." The biggest gaming company in the world, Caesars, Harrah's Entertainment, is our main competitor right down the street. They do a lot of things very, very well, tremendous with technology and the whole idea of using your card all around the country, but their overall strength has never been a major concentration on food and beverage. So, that's one way I thought our kind of intimate, smaller, boutique-type casino could compete with the biggest gaming company in the world.

And really, what we've done the last 16 years, is open six different concepts. But our flagship concept is definitely our Maine lobster buffet. We're the only

buffet, I believe, in the country that serves Maine lobster, shrimp, and crab, all the different seafoods, seven nights a week.

As I'm sure most of your listeners know, a lot of casinos do it on Friday, Saturday, some do it on Tuesday, Wednesday, but to try to make a difference and try to make a mark in this highly-competitive Southern California Indian gaming market, we decided to do it every night.

It's really a loss leader for the casino. At \$32.99, we actually lose about \$5.00 per cover, is the real cost of it, with about two-thirds of the covers being complimentary to the guests in reward for their support of our casino.

So, the buffet recently got remodeled. It has now 600 seats. It has more food offerings. We just hired a new executive chef, Denis Soriano, from the Wolfgang Puck company, where Denis' big claim to fame ... I'm sure everybody has seen the Academy Awards party. The Wolfgang Puck party is famous in Hollywood after the Academy Awards. That was Denis' party, so he came from that, and he's been here with us now since the start of the year, and he's doing a fantastic job.

Then our other flagship is the Black&Blue steakhouse, which has been open about 10 years. The readers of Open Table and the users of the Open Table restaurant system, voted us number one steakhouse in San Diego, recently.

So, we needed something to complement those two, and what we came up with is, Patties & Pints, which is our version of upscale, fun, casual, craft beers, homemade milkshakes, a proprietary blend of probably the best hamburger, I believe, in California. If anybody's ever heard of Brandt Beef, it's known far and wide to be the best provider of beef in the state. So, they make our special blend for us.

We also have handcrafted pizzas. It's set right in the middle of the casino, so everybody who's sitting at the bar or in the restaurant, has a beautiful view of the casino on one side, and actually looks outside to the mountaintop here around our casino. We have beautiful landscaping and things they look at.

Then we took our breakfast, lunch, and dinner concept, and made that a little more European feel, and it's simply called the Café. That's also the other new restaurant that opened two weeks ago, serving breakfast and lunch. That one actually looks out at the Palomar mountain range.

So, now we have four great sit-down restaurants to go with our three walk-up restaurants, which is Sweets, with our homemade pastries and cappuccinos and coffee, and Snax and Stix, with pizzas, salads, sandwiches, Asian cuisine on-the-go.

We now have a tremendous complement of restaurants that are now all opened, so everybody who comes here has a really wide variety of it, and I'd recommend everybody ... You've got to try the buffet once when you get here, but-

Tino Magnatta: Wow. The buffet's amazing. The buffet's amazing. I could eat that every day.

Bruce Howard: Yep. I like when you come, because you understand the idea of-

Tino Magnatta: I love it.

Bruce Howard: You understand the idea of a buffet cooked fresh to order. Most buffets, you know, the old knock on a buffet could be the food's been sitting out. We specifically go station by station and try to make each station more of an ala carte-type restaurant. So, every pan is cooked to order. There's very rarely a time when anything is out on our buffet more than 15 minutes before a new pan of food is cooked fresh and brought out.

So, again, food and beverage has helped Valley View get on the map, and now we have this beautiful scenery and an entirely renovated casino to show off to everybody. I just can't wait for everybody to see it. Those that have seen it are just, "Wow." "Wow," is the comment we get. "This is the same casino." That's some of the words I've heard from our guests, is just, "Stunning," "Exceptional," "Breathtaking." We have a beautiful water wall right in the middle of the casino that's very tranquil, and with so much more square footage, for now, we just kept our machine count the same. So, you can imagine how much more room. It just feels like a Bellagio, and it feels like an upscale, strip property now when you walk in. I can't wait for your listeners to come by and tell us how we did.

Tino Magnatta: Ah, it sounds fantastic. Sounds really good. Bruce, take us back a little bit to the Caesars days, okay, because that's really where the roots, the whole food and beverage thing started with you, and I think it's the majority of the reason why you have such an advantage when it comes to putting all this stuff together.

And you and I both know that in the last 20 years, the US population has grown into foodies like they never have before. Before, it wasn't like this, so everything that you're doing is right on.

But, what was it like at Caesars? I mean, because you could get anything, right? No matter how exotic, right?

Bruce Howard: Absolutely. My years at Caesars were 1984 to 1995. It was the place. I mean, I think it still is, and I will always have a fondness for Caesars, but that was before the Mirage, before the Bellagio, before the Wynn, before the Venetian, when Caesars had the ability, number one, to attract the greatest chefs and managers and casino folks in the world. And I was just a young guy in my 20s, started off as a room service manager, was my first job at Caesars, and I always felt that I

tell people today, it was like going to Harvard, getting a Harvard education and getting paid for it.

But, yeah, we learned [inaudible 00:10:04] from all around the world. We had a lot of Asian visitors. We had a lot of South American visitors. We had a lot of domestic visitors. So, it was just a matter of routine that anybody could order from any of our 10 restaurants, and we would either bring it to one of the restaurants, or we'd bring it to their room.

If you wanted an appetizer from the Palace Court, and you wanted a main course from our Steakhouse, Neros, and you wanted a [crosstalk 00:10:35] from a [inaudible 00:10:35] restaurant, I mean, the sky was the limit.

Tino Magnatta: Wow. Unbelievable.

Bruce Howard: Yeah. We had back then, what was considered a very boutique hotel. When I got to Caesars, we had 1200 rooms, which everybody knows in Vegas now, I think Caesars is up to 3400 and other casinos all have [inaudible 00:10:54] 500 to 3,000, so outside of Las Vegas, 1200 sounds like an enormous amount of rooms, but we were really able to cater on a personal basis. I mean, just the food and beverage [crosstalk 00:11:06] I think, I had 1200 teammates, just with me in food and beverage, so we basically had a food and beverage person [inaudible 00:11:14] every room in the building, and those kind of fight nights, the [inaudible 00:11:19], Leonard-Hearns, those kind of fights just [inaudible 00:11:22].

The casino took every room. All 1200 rooms were filled with high rollers. They were basically free to eat wherever they want on the casino, so there was nothing like a fight night at Caesars back in the '80s and early '90s. They were nights to remember, especially I'm a sports fan, so to watch it all up close, see what was going on on these nights ... Everybody, I'm sure, remembers that Hagler-Hearns, the greatest three rounds of boxing in history. We were right there when [inaudible 00:11:56] that Fan Man fight, when the guy came in from the sky on a parachute.

Tino Magnatta: I remember that.

Bruce Howard: [inaudible 00:12:03] Holyfield and Bowe, I believe, Riddick Bowe and Evander Holyfield. They stopped the fight with a parachutist [inaudible 00:12:10] the ring. We were all there for all those, so it gave me a great [inaudible 00:12:15] interest in food and beverage. And I really learned, having come from the restaurant business, but at Caesars I really learned how important food is in a casino, and how it is worth making that your loss leader, and let the casino be the place where all the wins and losses happen, and make the food a draw into your casino.

And that's what we're trying to do right now. [inaudible 00:12:39] beverage department here runs at a loss. We're happy to do it because we have to compete with 60 other casinos now in the state, and I believe 15 of them are within a hundred miles of our front door, now. So, we made a big mark with food, made a big mark in the casino with offering a little more value, a little better chance to win.

We're all here for the long haul. Our tribe just signed a new 28-year compact extension. We're just looking for the social gamer, the foodie, as you say, someone who might come here for a night of entertainment instead of going to a movie and a dinner, or the mall, or a ballgame, or an opera, or a concert, or something like that. So, it's become a great social environment for people.

Tino Magnatta: Yeah, It's an amazing thing. How do you go about deciding what kind of restaurants and what kind of food to serve? What is that process?

Bruce Howard: Great question. We do a lot of collaborating and polling. We probably spend about six months talking both internally, but most of the decisions here are really made by the guests. We send our guests a lot of surveys, so the survey for this one might have been, "What type of restaurant do you think would complement our buffet and our steakhouse?" And I think the choices were, an Italian restaurant, a Mexican restaurant, an Irish pub, a barbecue restaurant, a burger and draft beer restaurant ... That's the one we ended up with, because that's the one they told us they want. So, I'm only here to really be the voice of the public. That's really what I think a general manager in a casino is.

So, we heard from them, and then what we're really good at is, take the recommendations we got and then exceed the expectations of that. So, just in our first three weeks in Patties & Pints, all those folks who asked for this type of restaurant said, "Wow. We didn't know it was going to be this good. We asked for a hamburger and draft beer restaurant, and you created something a lot more than that."

So, I've always let a little bit of instinct, but mostly the guests' comments, our team member comments ... It seemed like a perfect fit between a café, a buffet, and a steakhouse, kind of something casual, upscale, seemed to be a perfect fourth sit-down restaurant for us.

So, now we have the café, which does a lot of its business for breakfast and lunch. The buffet does about a third of its business for lunch, and two-thirds for dinner. The steakhouse, obviously, is for dinner, and now Patties & Pints, which opens at 4:00 every night, but goes a little later into the night, is a little bit of a late lunch, early dinner, if you just want to have a beer and an appetizer, some people come in for milkshakes and desserts. So, it's become a great fit as a fourth restaurant here for us.

Tino Magnatta: So, you got the idea. You know what they want, but then how do you choose either which brand to bring in, or if you need to do something on your own?

Bruce Howard: Growing up at Caesars, I really learned a little bit about both, because we were definitely involved with The Forum Shops, where Wolfgang Puck and Spago became the big headliner of a chef to come in. But inside of the casinos, themselves, every company that I worked for shared my opinion that if you have the right food and beverage team, and you have the right chef, and you have enough passionate people, keeping that real estate and keeping that brand under your specific casino brand, at least by me, is preferred over bringing in the celebrity chefs.

I know Bellagio did a great job with it, The Forum Shops did a great job with it. I have had probably 50 to 100 different restaurants at various stops along my travels around the country, call me to ask about a partnership, but I've never gotten to the point of thinking that anyone knows our guests better than us, anyone's going to share the passion that we have for this one building, where they might have 10 or 20 restaurants. So all our restaurants, everywhere I've been, from Caesars on down, have always been part of the casino, where we can control everything in the restaurant.

So, again, [inaudible 00:17:41] a little more work, but we got a phenomenal vice president of food and beverage, Howard Silver, who's a good friend of mine and for many years was the corporate chef for all of Ameristar casinos. We have a new chef, Denis. We have my background. So, we all collaborate. We all love writing menus. I think we're [inaudible 00:18:03] in these two restaurants. You'll be really happy.

But, it's never really been a decision of whether we're going to go with a third party, or not, just because ... Maybe I've just been lucky, and we've had great success doing them ourselves.

Tino Magnatta: Well, it's very interesting because if you look out on the landscape, a lot of people bring in brands, right? And your strategy's been completely different, but to the point where you can actually control and change things the way you want to, depending on what your customer wants, right? Gives you that control.

Bruce Howard: You hit it on the head. And yeah. I mean, if you don't love the food and beverage world, it's a tough part of the business. It just is, because there's so many things that are involved. I mean, the casino's tough, and the hotel rooms are tough, the valet parking's tough, but nothing spoils except things at food and beverage, okay. The chips on the game-

Tino Magnatta: No. Food and beverage is really tough.

Bruce Howard: You've got to deal with that. How do we set a menu? How do we set the hours? How do we find the right people to staff it? I guess just growing up in the

restaurant business in Miami, and then having the opportunity at Caesars, and everywhere I've been, even as I've grown my career to now be a general manager, I've always loved food and beverage. My parents were involved with it. My brother was involved with it. He's started his own franchises around the country. He was part of the Wingstop group for years, part of the-

Tino Magnatta: Oh yeah. He was major.

Bruce Howard: Now he has his own franchise he's starting in South Florida, called Huey Magoo's. So, again, [inaudible 00:19:43] can understand why restaurants do it. I get it. I think it's a good decision for them, because if you don't have people inside your building who love it, food and beverage, if it's not really done well, almost hurts your casino as much as helps it.

So, it makes sense, I guess, to bring in a Bobby Flay, or bring in an Outback here, or Ruth Chris, I think, some of the restaurants have now, or Todd English, I know is popular. They do a great job. Nothing at all against them. They're the greatest chefs in the world, but having that control and like you said, I want to change a menu item, it's not a problem. I want to lower the price. I want to bring more people in. I want to do a special. Those are the things that you lose if you third-party out a restaurant.

So, it works both ways. For me, it's always worked keeping them internal.

Tino Magnatta: Yeah, and I mean, you've really capitalized on using it as a revenue generator, which is pretty amazing-

Bruce Howard: For marketing mostly. Really are a reason to get people here.

Tino Magnatta: Yeah. Yeah. It's really amazing, and being able to ... In a sense, you've been ahead of the curve, because if you think about the trends, it's all moving in that direction. I mean, I think more than anything, people just love a great meal. Wouldn't you agree? I mean, more than anything?

Bruce Howard: No doubt. 100%. And again-

Tino Magnatta: I mean, it's for everybody. [crosstalk 00:21:15].

Bruce Howard: I mean, Bobby Flay can only be in so many places. He probably has 30 restaurants, so maybe you'll see him there once a month. Maybe you'll see him twice a month. At the end of the day, how is the food, and how is the service, and how is the value. We put a mark on all three. We have a \$45.00 three-course dinner at our Black&Blue Steakhouse that I'll put up against any \$45.00 dinner anywhere in the country. It's the same [crosstalk 00:21:44]-

Tino Magnatta: Wow. \$45.00 bucks.

Bruce Howard: It's the same crème brulee. You know, sometimes people put these price bargains together and they give you a smaller steak, or they give you a different dessert.

Tino Magnatta: No, no. This is the real deal.

Bruce Howard: It's the real deal. And I defy any ... Come into Black&Blue, and if you did not enjoy, and you don't think that \$45.00 dinner is a great value, please give me a call, because that has been one of the most popular steakhouse specials we've ever done. We put it on for a like a six-month trial two years ago, and it's stayed on ever since. People just love it and I'm happy for that.

So, if you order those three courses separately, it might be \$60.00, so for \$45.00, it's fantastic. It's fantastic.

Tino Magnatta: Yeah. It's great value, right?

Bruce Howard: Great value. Phenomenal value. You can't go to Outback and get it for much less. And I guess it's all that Brandt Beef. We use only Brandt Beef here, so I defy anybody. I mean-

Tino Magnatta: So, tell us a little bit about that. What is that?

Bruce Howard: They're a local rancher up the coast about 100-

Tino Magnatta: Local? Like, near you guys?

Bruce Howard: Yeah. About two hours away. I believe they made a big claim to fame ... I could be wrong, but I think they were the purveyor for the big Donovan Steakhouse, one of the best steakhouses here, but they have a very select clientele, which I like in vendors. They almost came and shopped us. They wanted to make sure we were the right place for them. Usually, vendors are happy to get the business, but it's a family-owned business, B-R-A-N-D-T. They have a great website, Brandt Beef. I can't wait for everybody to come in and try this hamburger they made for us, because it's phenomenal.

And also, being in California, I think we have the best veggie burger on the menu for a lot of people who don't want to eat meat, and at Patties & Pints I put our veggie burger up against anybody's.

So, we're trying to attract, you know, different palates, different culinarians from all over the state. Our market's basically 30-year-olds to 70-year-olds. We have something for everybody now. We've had a lot of 30-year-olds coming in to try our new restaurant, because they like [crosstalk 00:24:12]-

Tino Magnatta: Yeah. [crosstalk 00:24:13].

Bruce Howard: They like craft beer. They like the spaciousness of our new casino. For quite a few years, we were 40 to 70-year-olds, so now we've been able to get the 30 to 40-year-olds. You know, again, I'd love to get 21 to 30, but you don't have all the things that sometimes they look for, discos and things like that. We have great food. We have tremendous gaming. We give you the best opportunity on all of our games, and it's a great four to five-hour visit. Plus we have 108 boutique hotel hotel rooms if you want to stay for a night or two. So, it's a great place to come for a day or a night. It really is.

Tino Magnatta: Yeah. That's going to be absolutely fantastic. Tell us a little bit more specifics on the kind of new games that you got in.

Bruce Howard: Well, on the table game side we have a game called, Richer Roulette, which was invented by a good friend of mine, Richard Peduzzi, who ran the roulette [inaudible 00:25:18] at Caesars Palace for many years. He invented what I think is the best California roulette game anywhere. California, as you know, we're not allowed-

Tino Magnatta: Yeah. The first time I saw it. It looks really neat. It's really cool.

Bruce Howard: It looks as close to the Vegas game and with exact same odds as the Vegas game, and actually, he just invented another game called, [Great Eight 00:25:40], that we're going to be introducing when we [inaudible 00:25:42] the grand opening. So, it's another fun table game.

On the slots, obviously, we have Blackjack, we have three-card poker, we have Pie Gal, so we have all the traditional games, but the roulette and the Great Eight are somewhat unique to us, and the way we play the roulette game is unique to us. It's a [inaudible 00:26:06] California roulette that I think our guests enjoy over all others.

On the slot side, included in our 2,000 slots with this expansion, is 300 brand new slots, so all the latest and greatest games from all the different providers. For years, IGT ran the market, and they're still good friends of ours and do a big piece of the market. But, I believe now we have 15 different manufacturers on our floor. Their competition has become really hard, as well. It used to be IGT with a little bit of Aristocrat, and a little bit of another company or two. Now there's 20 big-time companies competing for the same business, and again, we split them up. We try everything for everybody. We put in all different kinds of games. We ask again, our guests, all the time. "I was in Vegas. I was at the Bellagio. I saw this game." We try to get it for them.

So, we do a lot of work with our guests. They call me, email me, call our vice president of the casino, all the time. We're friendly with them. They see a game somewhere in Vegas or Reno or [inaudible 00:27:17] or wherever it might be, we'll do our best to get it here, because we have a really good relationship with all of our vendors. So, there's almost no vendor we can't call and they're happy

to do it. A lot of these are on 90-day trials. They put it in. If it's performing the way we think it should and they think it should, then it stays on our floor. If not, they bring something else.

So, it's kind of like maybe space in a grocery store. You know, you give it to Campbell's and if that soup is working, you leave it, and if not ...

So, we probably do more game changes here than anywhere. We have a really good sit-down craps game, because you can't roll the dice on a traditional table here. There are games played on craps tables, but we've never found one that we like. So, we got the electronic game of it, and I'm telling you, it sits right outside Patties & Pints, and it's full every night. Eight players playing it kind of in the middle of the game is like a bouncing table, so that's actually rolling the dice arbitrarily. Everybody bets. When everybody places their bet, the dice roll around in the middle of the table and land on the number. It's basically the same as somebody throwing the dice, except we're not allowed to do that in California. So, now we have a crap game that they like.

Tino Magnatta: Beautiful.

Bruce Howard: Yeah. That's a good one.

Tino Magnatta: So, you're opening then ... I know you're doing the whole July 4th weekend there, right? What have you got going on? Because you're going to be jammed, right?

Bruce Howard: There'll be a lot of excitement here. On the 1st and 2nd, we teamed up with Unicorn Jewelers, who's been our jewelers and probably the best jeweler in the country, in our opinion. He's been our exclusive jeweler here for 12 years. So, to all of our loyal players, we've purchased 8,000 high-end watches that we're going to be giving away on the 1st and 2nd. Then the 3rd is the grand opening with all of our executives and dignitaries here. We'll have some things going on there.

Then we go right into July 4th weekend with a lot of promotions and different things going on there, so yeah. Any time between the 1st and the 7th would be a great time to come by and visit. But, we're going to do a lot that whole month. We're trying to make it like a whole month of a grand opening. So, any day in July would be a really good time to visit Valley View.

If you haven't been here, I think you'll be happy with what you see, and what you eat, and the games you play.

Tino Magnatta: Yeah, and it's an incredible area, too. Very tranquil. Right? It's all like-

Bruce Howard: Yeah. But if everybody doesn't know, or haven't heard of Valley Center, it's just east of Escondido. If you know where Harrah's Rincon is, we're three minutes

from them. They're actually just three minutes east of us. Pechanga, you may have heard of, they're about a half hour north of us. The North County Mall is a big landmark in Escondido. We're 15 minutes off of the I-15 at the North County Mall.

But, the easiest way is to just go east on Valley Center Road when you get to Escondido, and it just leads you right to us. But, yeah. We're up in the mountains. It's beautiful. My wife and I have lived in Valley Center ever since we've been here. They still have two-acre minimums on building homes, so we sit on two and a half acres, which in all the big cities we lived in, I think if we combined all the eight houses that we lived in before here, it wouldn't add up to two and a half acres. So, it's a nice, tranquil setting.

We've loved it up here. I always like to live in whatever city I'm working in. I've enjoyed meeting all the residents of Valley Center. We all know each other. It's a small town, but it's a lot of fun. And I think the expectations and what you think our casino might be, I think they'll be exceeded. The main road coming up here was widened about 10 years ago, so it's a beautiful four-lane road coming right up to Valley Center. It's fun. Yeah. You've made the trip four or five times, so you know it.

Tino Magnatta: Oh, I love it. I think it's fantastic and the food is just like, out of this world. That lobster buffet is just incredible, and the way they make it. You can get it in different ways. Yeah. I mean, I'm hungry just talking about it.

You know, Bruce, in talking to you, you've been on the show a few times now, and you've repeated this pretty frequently. You're always saying, you know, "We listen to our customers. People call the VP, and they call this guy, and that guy." How important is that, and why is it that you guys pull it off so well?

Bruce Howard: Well, I don't know if there's anything more important. I mean customer service is what it's all about, and basically our guests have turned this small casino in 2003, that saw about 200,000 people come through the door that year, into a ... still I would call an intimate, but a lot more spacious and a lot more contemporary and sophisticated casino that'll see almost two and a half million people this year.

So, we've gone from 200,000-

Tino Magnatta: Wow. That's amazing.

Bruce Howard: ... with the visitation here, ten times over the last 15 years, and I'm going to say, in that time, there's probably 20 other casinos that have opened up. But again, we try to do ... I think everybody does the big things. We try to do the small things. So, we're in California. So, what do we do on our buffet? We have all fresh fruits and vegetables. We don't buy anything out of a can. You know. You like the rapini, and you like the asparagus-

Tino Magnatta: Oh, fantastic. I'll tell you, if I lived close, I'd be eating there every day, man. I can have rapini, I can have asparagus, I can have everything, and lobster, and seafood. Come on, man. What else is there?

Bruce Howard: ... the berry station. We have a lot of vegetarians. Anything you want. So [inaudible 00:33:34]. I think Caesars used to listen to their guests. I hope that most of the companies I worked with, all eight of them did. They all didn't. Some, honestly, the executives thought they knew more than the guests and they're going to guide the guests. I mean, from Steve Wynn on down, I think Terry Lanni, in my case. They taught us how to do it right. The guests will guide you if you know how to listen to them, and you can read between the lines, because they want to be loyal to one casino.

If you can get a loyal group, such as we have ... Our average guest comes here 26 time a year, average. 26 times a year is [crosstalk 00:34:16] I'm not sure where any of us go twice a month, other than maybe the bank or our barber shop or our nail shop, or when we like a favorite gas station. I mean, I like Cheesecake Factory and all of those, but I don't go 26 times.

So, the loyalty that we've been rewarded with in this very heavily competitive ... Just San Diego County, with Pechanga, Pala, Palma, Harrah's. Then, down south from us, an hour away, is Barona, Sycuan, Viejas, but we've been able to manage to get our fair share, and then some.

Really, the fair share of what we should have, we probably see about double that amount of people when you compare all the casinos together and add up their total investment, or their total amount of slot machines, or their total number of employees, that's generally how casinos figure out their fair share in a market. And our fair share is about half of our actual business. So, we figured out how to connect to them, and they say, "If you give us a better chance to win, you give us great food, you give us a pretty easy way to earn that food, we'll stay with you," and they have. And it's been a really fun 15-year run.

Tino Magnatta: Yeah. It's an amazing story. But it's like you said, you have to have the passion to want to do that. Like you said, the restaurant, the whole food thing, was in your blood, right? So, you have a passion for that. If you don't, it could be a disaster, right?

Bruce Howard: Those that love it, in the casino industry, or the banking industry, or the car sales business, seem to do better. So, Steve Wynn loved it, Terry Lanni loved it, you know, [Jackie Gone 00:36:07] loved it. Those folks built everything we doing now, because they loved it. I've loved it since the first day I walked into Caesars. Hey, it never seemed like a job to me. I mean, if you're going to do this so many hours, find something you love. I just happened to find it early, pretty much just by luck. Just moved out to Vegas, put my resume in, and Caesars hired me, and it's been fun ever since.

Tino Magnatta: Well, should we take some calls?

Bruce Howard: I love when we take calls.

Tino Magnatta: All right. Let's do it. So far, it's been pretty amazing. You know what? I'm starving now. I put a little something in my car. I'm coming up there.

Bruce Howard: Come on.

Tino Magnatta: Yeah. I'm feeling like coming up there. Hang on one sec.

Hello, this is Tino Magnatta. Do you have a question for Bruce?

Speaker 3: I think we're all starving, actually. This is cruel and unusual at 6:00 at night.

Tino Magnatta: I tell you. I'm really hungry.

Speaker 3: The references to rapini are below the belt, way below the belt.

Tino Magnatta: Yeah. Way below the belt. All right, and the lobster was amazing.

Speaker 3: [inaudible 00:37:26] I worked in Vegas during those same four years as you. It's nice to hear somebody that holds on to some of those [crosstalk 00:37:33].

Bruce Howard: [crosstalk 00:37:33] you had the [Limelight 00:37:33] restaurant, which was one of my favorites.

Speaker 3: My parents. That was my folks. Yeah. Yeah. Wow.

Bruce Howard: Fantastic restaurant.

Speaker 3: Thank you. Thank you. We were all the old Caesars team that they use to come in for like, Guinness things and all that.

Bruce Howard: Yes, you were, and I remember your sister, who was very, very nice.

Speaker 3: Well, thank you. I'll tell her. I'll be seeing her shortly for dinner.

Bruce Howard: Will you? Okay. What was her name again?

Speaker 3: [Marianna 00:37:59].

Bruce Howard: [Mari 00:38:00], yeah. Mari. Okay. Yeah. Mari is awesome.

Speaker 3: She's the most beautiful 50-something person I know.

Bruce Howard: Oh, I [crosstalk 00:38:12] sure, inside and out, other than maybe my wife. But, Mari is very, very [inaudible 00:38:19] absolutely. Yeah. The [inaudible 00:38:23] family's famous.

Speaker 3: Thank you. Well, I was the black sheep, so I went into the casino business and I actually opened up the Excalibur in '90, and my question is a little bit on the serious side. I hope it makes you chuckle, too.

In those days, the role of what they called, the controller, which now has morphed into the CFO, their role was to count the money, and they had little or no involvement with the operation, and certainly not with marketing and those kinds of things. And what I've seen over the years is that that role has evolved to the point where the CFO is driving a lot of the decisions, and I don't know that that is necessarily in harmony with some of the ideas that you've been expressing tonight.

So, I'm just wondering how you work with your CFO and what is his involvement in terms of making some of the decisions on the menu, and the quality of the product, and those kinds of things.

Bruce Howard: That's a real good question. But, from the early days ... I'll go back and the CFO that taught us all was Tony [Brolek 00:39:35] at Caesars, and the general manager back then, Dan [Reichart's 00:39:40], I give a lot of credit to. He understood the value of F and B. Our CFO here, Leilani Marquiss, is a great lady, and of course, we try to control costs wherever we can.

But in the efforts to compete at the highest level, which we do, and without a golf course, and without a spa, and without a concert hall, without a hair salon, everybody in the company, including Leilani, has bought into the fact that food and beverage is our concert hall, and is our spa. So, again, we have pretty tight controls on the things that obviously nobody wants to see, which is anything related to theft or waste, but I will tell you that we have less of that than anywhere I've ever been. We have what's no question in my mind, the greatest vice president of security I've ever worked with, Boyd Long, who is the former assistant chief of police for San Diego for years.

So, she and even our board of directors, which is a group that I'm very fond of, and also sit on as one of the few non-tribal members in the state to be trusted with a board of directors member seat, which Leilani and I are the only two from our casino that sit on that. She and everybody else has trust in myself and Howard Silver to do what we think is the right thing to do, and that goes from everything from the rapini we're buying, to the food we serve our team members.

I've been at casinos where we buy a different tomato for the team members, and we buy less quality chicken, and we buy a smaller whatever, a potato. We don't do that here. The team members eat for free like they do in Las Vegas,

which is not the case in every California casino. What they eat in their dining room is the exact same food that we serve in our restaurants. Obviously, they don't eat shrimp and crab and lobster, but the same different types of tomatoes, the same high-quality chicken, the same pastas that they're eating in any of our restaurants, is what we serve our team members.

Leilani has also been here with us for 15 years, so she was with us through some of the early years when we were struggling a little bit, so we may have had a lower food cost. But, she was wise enough to buy in that, "All right. Well, the guy was the food and beverage director at Caesars. Take that for what it's worth. Now, he's a general manager, after traveling around the country. We have the vice president of food and beverage, the former executive in the Ameristar group, who's bought food on the biggest scale."

When people are given a chance to show what they can do, I mean, it is amazing the lobster deals that Howard Silver has gotten, and the purchasing of our purchasing director, Larry Chapp, who understands if you do it right, it really doesn't cost more to serve fresh asparagus if you know how to buy it, and you know how to do it. And yes, on our berry station, fresh berries every day. There's different berries every day, depending on the market. We study the market.

So, your question is on it was run more food and beverage at most every place I've been, except here and Caesars. And you are correct. The CFO sometimes would mandate that percentage of food cost, but that's really a short-term gain, and you're never going to outsmart the public on food. You're just not. Or, how a slot machine plays. Sometimes I think some of our executives in these casinos try to tell the guests what to eat, and the guests how to play a game, and determine the odds for the guests, and that's not the right way to do it.

So, we have a team that's all been here a long time, which is a luxury for me. Our entire group of directors and vice presidents, a group of about 13, nobody's been here less than seven years. We haven't lost anybody in years and years. We're all smart enough to figure out we have a good thing here, and if we keep doing what we're doing, and reward the company and the tribal members with a successful business, that there's no better place to be.

This is the best place I've ever worked, for sure, and I've worked in six different states and 12 different casinos. There is definitely a different feeling here. And everybody pitches in. I can tell you, from these last 18 months, we'd have vice presidents coming in at three in the morning to move the slot machines to make way for new carpet, as much as any hourly team member. It's a very unique place. It reminds me a little bit of Caesars.

So, I'm going to say, in my career of 12 casinos, the two best I ever worked at are going to turn out to be the first one and the last one.

Yeah. I think what you're saying still may be true. But again, Harrah's has 42 casinos. If I was in charge of Harrah's, I'd probably be more controlling, because you want ... You know, if you go up three points in food costs at one place, it's one thing. If you do that at 42 ... So, we understand. There's pros and cons. I've worked for the biggest companies and I've worked for smaller companies, and this has just become a better fit for me and my life.

Speaker 3: It seems to me that operators like Steve Wynn understood that always, understood that taking care of the customer should be the driving factor, and that if your team members are happy, that transmits across to the customer service, and then to the ultimate satisfaction of the guest. It seems that that's [crosstalk 00:46:00].

Bruce Howard: [crosstalk 00:46:00].

Speaker 3: Yeah. Unfortunately, I don't see [crosstalk 00:46:03]

Bruce Howard: [crosstalk 00:46:03] was great at that. Steve Wynn was great at that. I remember when he opened that Bellagio team dining room, it looked better than any coffee shop on the strip, and he said, "I don't care if it [inaudible 00:46:13] \$12.00 a meal and everybody else is paying \$5.00, and if I remember right, like Bellagio had the lowest turnover rate ever their first five years, which we're very proud of here. We have the lowest turnover rate of the 60 California travel casinos.

Speaker 3: Boy, that says it all, sir. That really does.

Bruce Howard: Gaming is a very transient business, and many of them turn over 50% a year. We're at 20, which may sound high, but it's really not. So, we turn over about one and a half percent of our team a month. With everybody offering our team jobs, and us not being in the biggest populated area, where many of our team members and guests have to drive to get here, and our HR team, Judy Wright and Mike Caputo, who head up our HR team, do a fantastic job, but yeah. It's expensive to turn folks over, and our team members are our best marketers.

So, Steve Wynn had it right, and so did Terry Lanni, and Henry Gluck, the two that I learned from at Caesars, really took an interest in the team members' happiness, just like you said.

Speaker 3: Yeah. Yeah. Well, thank you so much. It's a pleasure listening to you. Thanks a lot and have a great day, sir.

Bruce Howard: I appreciate it, and thank you.

Speaker 3: Thank you. Have a good night.

Bruce Howard: Take care. Okay. Goodbye.

Speaker 3: You bet. Bye.

Tino Magnatta: Great question.

Bruce Howard: Yes. Really good.

Tino Magnatta: Hello. This is Tino Magnatta. Do you have a question for Bruce?

Speaker 4: Hello.

Tino Magnatta: Hello. This is Tino Magnatta. Do you have a question for Bruce?

Speaker 4: Hey. This is Jess calling from Las Vegas. Thanks for having me on, Bruce-

Tino Magnatta: How are you doing, Jess?

Speaker 4: ... and Tino.

I'm good. I'm good. So far, it's like you guys been saying and last caller was saying, you know, just thinking of nothing but lobster right now, to tell you the truth.

Bruce Howard: Come on down. We never run out of lobster.

Speaker 4: Yeah. So, you know, grand opening, or grand reopening's right around the corner. Without giving too much away, what are you most excited about, in terms of the grand reopening?

Bruce Howard: Well, on the big picture, I'm excited to give our two and a half million people that have been loyal to us for all these years, a more spacious, contemporary building. And I'm excited for some folks who maybe have stayed away from Valley View, because maybe the line was too long at the buffet, so, we made that bigger. Maybe it was a little too tight for them, so we added 40,000 square feet. I'm excited for new people, new guests and current guests, and I'm really excited for our team members.

I've never seen a group of 900 people more excited about an expansion and a renovation. I mean, our team members are just over the moon with what we've done, and I appreciate the help we got from our board of directors. I think everybody understands 50 million dollars is an enormous amount of money, but if you've seen our place before July 3rd, and you come after July 3rd, you're going to say, "Wow. It looks like you spent about 150 million dollars," but again, so many of us with so much experience were able to call on all of our relationships, and partners, and vendors, over the last 30 years to help us get the biggest bang for the buck, for a 50 million dollar investment, which in California standards is a large number. In Vegas, you hear about 300 million

dollar expansions, and 400 million, but we have transformed the entire campus and the entire building.

I just like standing by our new front door and watching people walk in, just to say, "Wow." It's the same place that it was, that I left a month ago, and yeah. I get excited over people being excited. I mean, again, I've been very fortunate to do a lot of projects. Each one is as exciting as any one I've ever done.

But, I'm happy for our team members. Many of them who have only worked at this casino, for them to now see what all their sacrifices meant, because we had to move a lot of people's offices for these months while we redid sections. We had to inconvenience our team members and our guests. We remained actually quite busy during the 18 months. Where a lot of us thought our business would fall off dramatically, our guests rewarded us with their support.

I've done expansions like this in other states, where the guests are loyal. They say, "I mean, we love you, Bruce. Just tell us when you're done and we'll be back." Here, they didn't do that. They came. And we also made conscious efforts to show them what we're doing. Most casinos put up what's called, pipe and drape, those dark black drapes, and hide everything. We had our guests walking around the areas that we were working on. We just put the poles, the ropes, with the velvet between them, just let them look out and see what we were doing.

So, they saw the carpet coming up. They felt part of it. So, we took a little different stance here. We didn't want to hide a thing. We wanted them to be right in the middle of it all, and they were. That's really what I'm most proud of, that our team members and our guests have this beautiful building to come to now, and to them, it is personal, because hey, wherever you work is a personal thing. And wherever you go 26 times a year, you're obviously going to have a fondness for it, or you wouldn't go there.

So, just the excitement every time we open up a little section. So now, we only have two sections left out of the ... This was actually a 20-phase project over 18 months, so basically, 18 of them have opened and there's two left, and they're all done on July 3rd.

Speaker 4: Awesome. That's very cool.

Bruce Howard: It is very cool. Thank you.

Speaker 4: You talked about important guest surveys were, in terms of having a impact on food and beverage decisions, and even something as important and big as what type of new restaurants to add. Was there a breakdown of ... Did you value players' survey results more, or hotel guests more, or just outside locals who were coming in, and just go in the restaurants on their own, who didn't have a room, or they're not gamblers either, or was it all [crosstalk 00:53:03]?

Bruce Howard: Yeah. A little bit of both. Well, obviously a much wider spectrum of people in the F and B world, because even when we remodeled the casino, "What games do you want? What slot machines?" Obviously, that would be more appropriate to question the gamers on, but we really didn't make a big differentiation between the type of guests we were getting. We're just so happy that people choose us.

So, it was really just a survey while they were in the restaurants, and then some surveys that we did to their homes, that told us, "Do a burger and beer restaurant better than anybody else." That's the next step for Valley View, and that's what we built. "Make your breakfast, lunch, and dinner place, refine it a little bit. Give it a little bit of pizzazz." It's all been redecorated. It's beautiful. Maybe has a little bit of a European feel café to it now, with the addition of things like crepes. We do three or four different kinds of eggs Benedict, do different types of salads and sandwiches. One of our burgers is wrapped up like a beef Wellington burger. We make a fresh dough. This Wellington burger has been a big [inaudible 00:54:18], so things you don't see everywhere, but to answer your question. On the food and beverage side, pretty much anybody who is a diner with us got asked.

Now, again, the more loyal players, we may have put a little bit more stock in that, but out of six or eight choices we gave them for restaurants, this one was a pretty clear winner. I didn't know which one they'd want, but ... And a lot of the other ones we have in the buffet, which is why I think they went for something like this.

Obviously, the buffet's not going to have burgers, but it does have Mexican food. We do put barbecue food in there. We do have Italian food. So, we were all pretty happy with the one they chose, because it's the one we chose, so it worked out where all the stars aligned on this one. Howard did a phenomenal job designing this restaurant, our architects ... I can't wait for Tino to see it, or whoever can get up here for our grand opening. It's a very unique [crosstalk 00:55:19].

Tino Magnatta: Oh yeah. Can't wait to [crosstalk 00:55:21].

Bruce Howard: I mean, you're going to have a hamburger, and you're going to say, "Wow," and you're going to have a milkshake made from scratch, and it's a food and beverage casino. It's what we are. Food and beverage, a lot of technology on the casino floor. We have a lot of state of the art machines now, and we do, honestly, give you a little better chance to win.

We're all about volume. I learned that at Caesars. You know, win, lose, or draw, makes no difference to us. We just want you here 26 times. If you win every single time you come, I'm just as happy as anybody. That's what we learned at Caesars. Caesars never sweated anything. The term we used in game, "We never sweat anything." Win, lose, or draw, just come to us, have a great meal,

have a little better chance to win, enjoy yourself, and hopefully, we'll see you two times every month.

Speaker 4: Awesome. Well, thanks, guys. Have a great night.

Bruce Howard: Yeah. Thanks for the question.

Tino Magnatta: Thank you. Have a great evening. I am starving. All this talk about food. I'll tell you.

Bruce Howard: Yeah. We all [crosstalk 00:56:28].

Tino Magnatta: Let's see who we've got here. All right. While I'm trying to fix this, Bruce, tell us a little bit about Mr. Lanni.

Bruce Howard: Well, Terry Lanni was definitely all of our mentors, and a great man, and his wife and kids we saw a lot, because I believe he lived in LA, or Beverly Hills, but he came to Caesars and stayed at Caesars, pretty much every weekend, and we feel like his kids, who I'm sure now are in their 30s or 40s, grew up with us.

He was just a very kind, compassionate ... Any time he talked to me, it's, "Bruce, how's the team doing?" He never asked how a guest is winning or losing. "How's your family?" He was the one who coined the phrase that I use all the time here. He would come in and we all had our regular orientation at Caesars. Then we had a management orientation, and he would say then, what I say now, all the time, that the gaming business is not very complicated. It really comes down to cleanliness and friendliness. Who's ever the cleanest, who's ever the friendliest, will win in the end, and that was the mantra at Caesars, and besides being a great place for a lot of things, it was the cleanest and it was the friendliest. And that's what we've tried to do at Valley View and everywhere I've been.

We miss him. He certainly passed away at too young of an age. We were all in shock when we heard he had gotten ill, and that was a sad day. But both him and Henry Gluck were just nice people, wouldn't know that he was a CEO or COO of a casino if you met him, went on to a great career at MGM. But, I think he always had his heart at Caesars Palace. He really helped build Caesars Palace. Anybody who knew Terry Lanni, I've never heard a bad word said about him in my life from anybody.

I'm still friends with a lot of folks that worked with me at Caesars, and we all miss him. We all thank him for the opportunities he gave us, and the way he treated us, and the way he spoke to us, and I'm sure his kids turned out fantastic and I don't know a better person in gaming, personally, than Terry Lanni, at least in my career.

Tino Magnatta: Yeah. He was a pretty amazing person.

Bruce, it's been an amazing show. I really appreciate you coming on. Tell us again the dates, the opening, and when people should come, and what they can expect. Tell us again.

Bruce Howard: Well, any time in July would be a great month to come. Specifically, if you want to come by on July 3rd, we're going to do a little ceremony from 9:00 to 11:00. About four or five of us will get up and thank all the guests, so I'll be up there speaking. The head of our gaming commission, which is a nice lady named, Celeste Hughes. The president and CEO of our board of directors, Joe Navarro, will be there with us, and the head of the tribal business committee, Steve Cope. And we'll see all of our team members will be there. A lot of the tribal members will be there. A lot of our vendors will be there.

But any time that week will be a lot of fun, and I hope you'll come up to me and introduce yourself, and let me shake your hand, and take you through the lobster buffet, or Patties & Pints, and show you a great meal. So, we always have something going on here. It's a pretty busy ... Our casino is busy, but busy in a good way. It's always clean and friendly, but it's got a nice vibe, I guess is the right word now.

And this beautiful new entrance that we built is magnificent. It's almost like driving up to a park, is what it reminds me of. It's got a beautiful, 30-foot glass entry now, and it leads you right into this water wall that I was talking about. And we left a lot of rooms specifically by the entrance so you get a nice sense of entry. There's about a 20-foot wide walkway for the first hundred feet in the casino, that just puts you in a good mood.

So, again, July would be a great time, but any time you're in Southern California, please come by and say hello to me and let me shake your hand. I always appreciate [inaudible 01:01:01].

Tino Magnatta: That's great, Bruce.

Bruce Howard: Yes, sir. Thank you for letting me be on your show.

Tino Magnatta: Thanks so much, and you're going to be on in August again, so we'll find out exactly what's been happening. But, I'll probably see you before then, anyways.

Bruce Howard: Great.

Tino Magnatta: Thank you so much, Bruce. Have a good evening.

Bruce Howard: Thank you, Tino. I appreciate it.

Tino Magnatta: See you later. Bye, bye.

Bruce Howard: All right. Thank you, everybody.

Tino Magnatta:

All right. Great interview. Bruce is a great guy and exciting stuff going on.

So, Monday, June 17, I have Mike Donovan. He's the CMO of Ocean Resorts [inaudible 01:01:36] in Atlantic City, and boy, he's got a lot to talk about. Remember, everybody's got a story to tell. You just have to have time to listen. Have a good evening, and see you Monday night.

END