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## Conversations w/Tino

Guest	James Webster
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Tino Magnatta: Hello everyone and welcome. Today we have a special show with a person who came into Native gaming in a very interesting way, an amazing person and a good friend. Please welcome Jim Webster. How are you Jim?

James Webster: Very good. Thank you for having me on the show.

Tino Magnatta: Thanks for coming on. Jim we talked the other day and let's get right down to it. You grew up in Wisconsin. Tell us a little bit about that.

James Webster: Well, it was pretty typical childhood. I had a good family. We lived in Neenah, Wisconsin, which was a little town of about 20,000, and they had a single high school, and it was a very comfortable childhood.

Tino Magnatta: Now it was, you were in the wilderness and rural areas doing hiking and hunting, all that stuff, right?

James Webster: Well, we did more cross country skiing on golf courses and [crosstalk 00:01:30] Lake Winnebago there. We ended up playing a lot of sports at the local Y on the weekends and stuff, and then at the high school for after school both on the organized teams and intramurals. So it was I did not do as much hunting and fishing as some of my friends did, but it was definitely that type of terrain.

Tino Magnatta: Yeah, yeah. At the beginning of growing up you didn't really know you were Native, right? That came later. What happened? How did that happen?

James Webster: Brief of it is that my mother who's Indian grew up very poorly I should say, and she grew up in Wisconsin, experienced a lot prejudice, and really was she felt a lot of hurt growing up, and she wanted to spare her kids from that same prejudice, so she just decided that she wasn't going to make that a focal point of our childhood. We actually, my sister and I, who's two years older did not learn until we were in our early teens that we were Native American and that was when my grandmother stopped by to register us for the tribe to put us on the rolls.

Tino Magnatta: What do you think about that? What were your feelings when you found out about that?

James Webster: I thought it was kind of cool.

Tino Magnatta: It is.

James Webster: Yeah, I did not experience any prejudice against minorities although it was primarily a white community that I grew up in. But yeah, there wasn't a lot of negative consequences associated with that. My friends accepted it and teased me, but in a friendly teasing way about it. Nothing was malicious, so it worked out well for me.

Tino Magnatta: Yeah, yeah, sounds great.

James Webster: Yeah, actually we were signed up for the Ho-Chunk Nation. It was called the Winnebagos at the time primarily because there was going to be a land settlement. My grandmother knew about this, so she wanted to get us on the rolls. My freshman year in college the settlement came through. I think was 1200 dollars, but it actually funded me for the summer to go hitchhiking through Europe, so it was-

Tino Magnatta: Wow. That's amazing.

James Webster: Yeah, I had great memories and benefits from being Native American.

Tino Magnatta: That's amazing. That's incredible. Where did you end up going through Europe?

James Webster: I went to actually flew into Luxembourg, went to Germany. We had an AFS student in our high school, so we stopped by and saw her, then I split up. It was right after the Roots series, so my grandfather is Scottish, never naturalized so I went over, hitchhiked over across the channel, went up into Scotland into Edinburgh and Glasgow, came back down, stayed in London, hitchhiked down to Paris, to Italy, down the coast of Italy to Pompeii, and then up along Nice, and then up through Spain, and back to Luxembourg, and came home. It was a great adventure.

Tino Magnatta: Wow. That's amazing. How old were you Jim when you did that?

James Webster: 19.

Tino Magnatta: Amazing. How do you think that affected the rest of your life, that trip?

James Webster: It was eye-opening. I think to travel is one of the best educations you can get. It exposes you to so much and so many people. I think it's invaluable to get out and travel, and whether it's with friends and family, or whether it's on your own, I think you take away things that would not be available to you character-building wise otherwise.

Tino Magnatta: Yeah, I agree. I've done some pretty extensive traveling and I lived in some of those countries. I lived in Italy for three years and went to elementary school there, so those parts of my life really shaped [crosstalk 00:06:26]. Yeah, it really shaped who I was, so I completely see how that affected you because it was the same for me. Those trips affected me fundamentally for the rest of my life, and I would suggest it to anybody. You know Jim, I mean traveling is amazing.

James Webster: Yeah.

Tino Magnatta: It really is. So, what happened? What were some of your first jobs? I know you have very unusual story because the fact that you started in the corporate

world, right? And you really weren't brought up in the rez. So here you are, traveling to Europe, having a good upbringing, not having any of the prejudice. And then, where does your first job come from? And then, what happens then?

James Webster: Well actually after college, and I graduated from the University of Wisconsin, I moved out to Connecticut, and was working odd jobs out there really looking for that first in and opportunity. My mother at the time was living in Chicago, and she was riding the train into work, she was working on Michigan Ave., but she was talking to this person who had started with a company called Alltel, and that was one of the first telephone service resellers in the nation. Back in the '80s Judge Greene broke up AT&T and opened up telecommunications to private industry. This was one of the first companies that took advantage of that opportunity and actually grew to be the third largest carrier in the nation. So from there-

Tino Magnatta: Wow.

James Webster: Yeah. I started on the ground floor. I was ordering and installing RJ21 jacks for dialers and nobody's going to know what that is, but it was grunt work. But I made a number of friends that really exposed me to the technology side of network switching with Intel Communications, and from there I got a job as a traffic engineer, and then network planner, and from there I moved into software development and sales, and then system integration, and eventually made it to product development and product marketing. That is really what gave me a technological and product management background that really helped immensely when I came into the Native American industry.

Tino Magnatta: Yeah, it's pretty fascinating. Tell me Jim, you were able to climb up the ladder in so many different areas. What are some of the qualities that you learned that you took away from during that period that helped you throughout your career?

James Webster: Well I'll tell you, I think that the most valuable quality that, and actually my parents drilled this into me was hard work, and long hours, and paying your dues. I know that doesn't sound real attractive, but that's exactly what it was. It was putting in the 110% at each job that gave me an up, and an ability, and I believe people recognized that drive and gave me opportunities that I wouldn't have been able to have otherwise. Of course, [inaudible 00:10:30] education helped also.

Tino Magnatta: Yeah. Yeah, you have to have the drive, don't you? You really have to have the drive, and you really got to want it.

James Webster: Right. [crosstalk 00:10:44]. Go ahead.

Tino Magnatta: No, no. Go ahead.

James Webster: Oh no, I was just going to say. I think the work ethic is definitely a very important contributing factor, but I think the drive to improve yourself and to put in the time necessary to learn what you're doing inside and out is also very important. It's you almost want to become an expert at each job that you have whether it's insignificant or whether it's managing part of an organization.

Tino Magnatta: Yeah, absolutely, absolutely. So here you are, you do all these things, these great things, and you're learning all this technology, and you know you're Native, and the whole thing. So, what happened? How did you get into working with the tribe? How does that transition happen?

James Webster: Well my mother in her later years, and this is now I didn't go back, I was never raised on the rez. I wasn't really exposed to the Indian culture, so in my forties my mother decided that she wanted to give back to the Ho-Chunk Nation, so she ran for the legislature and was elected. She got to know another legislator who became president of the Nation, and then the Nation passed a law saying all executive directors had to have a college education. I was in the right place at the right time. There weren't a lot of Ho-Chunk with college educations, so they brought me-

Tino Magnatta: Wow.

James Webster: Yeah. So they brought me in as treasurer of the Nation. Prior-

Tino Magnatta: When you say they brought you in, did someone just call you out of the blue? I mean, how does that happen? How does that happen?

James Webster: Yes, that's exactly how it happened.

Tino Magnatta: So paint the picture for us. Where were you? You were still at another job? Where were you at home and you get the call? Paint the picture for us.

James Webster: Yeah. Well, the picture is I mean and it's not that pretty. I was, again, at the right place at the right time. The technology market had just crashed, and so I had started up an energy company in Atlanta, Georgia and I was working with a friend to build that up, and we were starting to make a go of it. But then I got this call saying, "Hey, they want you to be treasurer of the Nation." It's an appointed position by the president.

Tino Magnatta: From who? Who did you get the call from?

James Webster: From my mother. From my mother. And then she said, "Call this guy."

Tino Magnatta: I love that.

James Webster: Yeah. So I called George Lewis who was an excellent guy, and he brought me in. I had some immediate successes in the treasury department and that was based

on my business experience and education, and then they moved me over to executive director of business, so I was in charge of all the casinos, and C-stores, and manufacturing.

Tino Magnatta: Let me ask you. Here you are coming from years and years and years in the corporate world, and now all of a sudden you're in the Native business environment. What were the major differences? And, what were some of the things that you had to adjust with how you dealt with things? [inaudible 00:14:48].

James Webster: I'll tell you that it was an eye-opener because in the corporate world it's pretty straightforward as to who are your bosses, how decisions are made, how you get things done, but coming into a tribal environment it's very political. It turned me upside down as far as, how do I get stuff done? They definitely appreciated my straightforward business approach to things, but if you wanted to get things done it was more political.

And then there was the cultural side to it since I had not been exposed to it I didn't know any of the traditions associated with the Ho-Chunk Nation, the Ho-Chunk Nation tribe, and I didn't have the cultural background just for common courtesies. Fortunately, my parents raised me to be very respectful of people in general, and that is a key component of the Ho-Chunk Nation culture and tradition, and that helped me immensely just by luck by being respectful I began to fit in.

Tino Magnatta: Yeah, because a lot of it has to do with the cultural customs and how their philosophy is on everything not just business, right?

James Webster: Correct. Definitely.

Tino Magnatta: On life itself.

James Webster: Yeah, exactly. And then the political aspect of it really was difficult to comprehend on how family relationships and the loyalty that exists within families could override straightforward business decisions and stuff. But it does and-

Tino Magnatta: Why do you think that is? Why do you think that is? And, how can it be corrected?

James Webster: I don't think it needs to be corrected. I think that is the way that most Native American tribes are. I think that what it does is it makes us compromise in the way that we get things done and what our final results might be. It may not be as optimal as we had hoped for, but it still moves the tribe in the right direction.

Tino Magnatta: Interesting. That's very interesting. I like that. What do you think that, you said to me once that I remember talking to you and you were saying that there's a

way of dealing with people in the tribe, the elders, and the new generation coming up, explain that a little bit to me?

James Webster: Right. Let me just put this in context for the listeners, and that is that in the tribe we have the people that started the tribe that actually filed with the BIA to have their tribes federally recognized so that there were economic and gaming opportunities available. These guys typically were raised on the rez, were raised culturally based on what their tribe's culture was, and they had to acclimate to the white world in order to get some of the things that they needed. They worked very hard to do that, but they retained their cultural integrity.

What that has done is it's allowed the next generations to go off and become educated in the European culture, and they're starting to come back to the tribes now so that's really the difference between the older elder generation that is still running the tribe and actually involved in it, and the younger people that are starting to come back with educations, and really wanting to retain the cultural and traditional aspects of their tribe. They don't want to let those things go. They see the importance to their people that they have. They just have vastly different approaches to doing it nowadays.

So to answer your question, the elders in the tribe deserve a great deal of respect not only for the hard work that they put in and their accomplishments, but traditionally just for their knowledge they are put in very high esteem as far as the hierarchy goes. I think it's veterans first, and then elders, then it's tribal people, and then it's kids as far as the hierarchy goes, whereas this newer generation of tribal members who have gained a education are really coming back wanting with some of the business principles that they've learned and trying to implement those while still trying to retain the cultural aspect of it. So as where an elder needs to be treated with a great deal of respect, and you speak when spoken to, that type of thing. This younger generation you need to implore some logic, business logic to convince them and still maintain a respectful conversation with them. They deserve respect also in what they're trying to accomplish.

Tino Magnatta: Yeah, yeah. I've never really heard it put that way, but it's a little different with the young generation as opposed to the elders, right?

James Webster: Yes, very different. [crosstalk 00:21:29]. Yeah. They have the same issues that somebody coming in not exposed to it before have also. They want to move quickly. They want to entertain risk, and elders are much more conservative than that, and patient. [crosstalk 00:21:52].

Tino Magnatta: That's a good quality to have. What do you think are the most important things the tribes should be doing to ensure the survival of all their businesses not just gaming for the years to come?

James Webster: I really think that as gaming becomes, as the markets become saturated with gaming and we're almost to that point now that the tribes really need to enhance the experience that they're providing to their customers. I think I would like to see them do that by incorporating some of the better values of their traditions and culture into their customer service. I would like them to share some of the history of their tribe with the non-Natives that are coming as customers to their facilities.

I think there's a pent-up the demand to learn about the Native Americans now that we didn't have 30 years ago, and I don't think it's being fulfilled by any of the tribes well right now. Maybe a few, but in general it's not being addressed as well as it could. I think that will be the bastion of lore that people will always seek out in the future or maybe I should say that's the next phase, and maybe it'll evolve to something beyond that, but I really think if they can share some of their knowledge and their ways with the customers and guests that are patronizing them that that will enhance the experience and build loyalty with their customers.

Tino Magnatta: Yeah, yeah. That's a very important thing, the human touch, right?

James Webster: Yes.

Tino Magnatta: That human touch. A lot of people listening will be wondering, how do you become a GM? What is the path? Where do you start? What is your advice to them?

James Webster: I would really say that it is more of a team building and leadership position, that it's not necessarily a set of skills that you bring to the position, but that it's that you work well with people, that you can build and promote teamwork within a facility, that you can provide a vision along with a road map on how to achieve that vision, and accountability. You still need to hold yourself accountable as a fiduciary for the tribe, and you need to hold your direct reports accountable for their actions and responsibilities.

Tino Magnatta: Yeah, very important. What's the key to making a casino successful?

James Webster: It is customer service. We deliver a service, we don't necessarily deliver a product other than our restaurant. It's really the experience that we can provide and that is 95% of it is delivered by humans by the employee, so it's really gaining control of the customer service standards that are adhered to within the casino, that along with marketing of course.

Tino Magnatta: Yeah, yeah, of course. Yeah, customer service is the number one thing, isn't it?

James Webster: Yeah, it definitely is. It is most Native American casinos have a very solid local market, and it's really driven by proximity to the casino. You're going to go to where it's easiest to get to to gaming experience, but it's how you're treated

once you get there, and it's whether you feel valued, and whether you feel as though you're part of that organization's family, extended family that is really what drives a successful casino.

Tino Magnatta: Yeah, yeah, extended family. That's a good way of putting it. When you look back at everything that you've done in your entire life, what do you think you're the most proud of?

James Webster: I would have to say my family and friends who they are. I really feel like I'm one of the luckiest guys in the world just because I have such a good core group, support group. I could be anywhere doing anything and with this family and friends I'd feel like a million dollars.

Tino Magnatta: Yeah, they're pretty well everything. Yeah, I feel the same way about my family. Yeah, family is the most important thing, isn't it?

James Webster: Yes.

Tino Magnatta: The most important thing. All right. Let's take some calls. See what we got over here. Hello, this is GT Radio. Do you have a question for Mr. Webster?

Mike: Hi. Can you hear me? Hello?

Tino Magnatta: Yeah, yeah, we can hear you good. GT Radio, do you have a question for Jim?

Mike: Yeah, sure thing. Mike out of Las Vegas. I really enjoy your program, good show.

Tino Magnatta: Thank you.

Mike: [inaudible 00:28:19]. Looking at obviously a lot of press lately about sports betting, something near and dear to my heart. As a tribal property and tribal community, how are you guys ramping up for sports betting? Are you ramping up to start taking sports bet? What is the outlook? And, what do you think from an overall tribal perspective what do you think that we'll see in the future in that area?

James Webster: Good question. It's a good question with a complicated answer in the sense that we really need to change our compact in order to offer the sports betting because our compact defines what is allowable at all the casinos. We have 11 tribes and 26 different casinos in Wisconsin. So I think that all the tribes are looking at opening up their compacts, but there is some risk associated with that because most of us have tried for perpetuity but have gotten 25-year compacts, which is good. It gives us enough time to transfer from one generation to the next as far as management goes and planning. But there's a possibility that if we open up the compacts to add sports betting that the state could come back and either up our compact fees, and/or play with the duration

of the compact. That's something that we're dealing with right now, and that is a decision that's over my head right now.

I will say that we're ready to take sports betting on. However, it would be very much like off-track betting where you would have two or three large organizations that actually put the back office system together and then we would just resell that at our facility, although it would enhance the image of the casino, and the experiences for our customers, so there's no doubt that we would do it. I don't see it as a huge money maker for the casinos. [crosstalk 00:30:45].

Mike: Have customer and players been since the news has broke with the Supreme Court ruling have they been asking for you the question? Is there interest around from your players that you're hearing?

James Webster: There is interest, but it's more conversational interest. There is nobody beating on the door saying, "When are you going to get it? When are you going to get it?" It is, "Are you going to get it? And, how are you going to get it? And, when are you going to get it?"

But no, I don't feel a urgency about it. I think that the tribe is approaching it very cautiously because of the risks associated with opening up the compact, but they are actively pursuing it. It's on our list of things to do. And if the opportunity works out we will definitely open it up to sports betting.

Mike: That's great. Well thanks a lot, and I appreciate you guys taking my call.

Tino Magnatta: [crosstalk 00:31:57]. Thank you so much. Have a great night. All right. That was good, good question. See what we got here. Hello, this is Tino Magnatta. I have Jim Webster here. Do you have a question for him?

Joe: Yes. Jim, this is Joe. How are you doing?

James Webster: Joe. What kind of a question do you have Joe?

Joe: Jim, I mean I have a lot of respect for your knowledge of marketing. I mean we've had a number of conversations and I'm always very impressed with how you approach it. Generally speaking general managers come from the finance realm, the operations realm, but I know you have a deep marketing background. My question to you is, overall how do you rate the importance of casino marketing in the overall scheme of things in a casino environment?

James Webster: I personally would rank it my number one priority. In fact, I had my marketing director here right before the show, and I was explaining to her that we would move funds from other operational departments to marketing to address the changes we're experiencing in our marketplace today. Definitely if you are not communicating through the media and through the ... providing the right

message to your customers, your doors, your slot machines are going to be empty. [crosstalk 00:33:47].

Joe: Also, why do you think also Jim that generally speaking I mean a VP of marketing is not the next choice for the GM, or the CEO, why does it always have to come from finance or in operations? I mean is it just because the role of the marketer is not fully appreciated? Why do you think that is?

James Webster: I would say that marketing is basically thought of as kind of a soft art, and that you need more analytical skills to be in the general manager position. Fortunately my background started out with those analytical skills, and I gained the marketing afterwards, and I have a great appreciation for both. Operationally, you definitely need to be able to crunch the numbers and recognize where the red flags are. Marketing-wise you need to drive the services and the image to your customers that's going to bring them through the doors.

Joe: And my last quick question Jim. You mentioned analytics. How important do you think are analytics to your whole marketing approach [inaudible 00:35:20] marketing your messaging, analyzing the results of your programs? How important do you think that is to a casino?

James Webster: It's hugely important. In fact, marketing is nothing without market research and whether that is the demographics, psychographics, or the analytics of what your own system can tell you, you cannot deliver a message to the right people unless you do that market research. So yeah, you have to have the analytics behind the marketing decisions in order to be successful.

Joe: All right. Thank you. [crosstalk 00:36:04].

Tino Magnatta: Thank you Joseph. Thanks for calling in.

Joe: [inaudible 00:36:08].

Tino Magnatta: Take care. Bye-bye. Okay. That was good. Joseph is a good guy. Some good questions so far. See who else we got here.

James Webster: Yeah, yeah, they are very good.

Tino Magnatta: Yeah, yeah. Some good questions. Hello, this is GT Radio. Do you have a question for Jim?

Speaker 5: Good evening guys. How are you doing?

James Webster: Good evening. How are you?

Speaker 5: I'm wonderful. Jim, what city are you in right now?

James Webster: I'm in Nekoosa, Wisconsin.

Speaker 5: [inaudible 00:36:46], Wisconsin. Okay.

James Webster: Nekoosa, Nekoosa.

Speaker 5: Yes, okay. I've driven through it once I'm sure. I'm sitting in Sheboygan, so we're a ways apart, but you know you guys have a major stronghold in this marketplace and it's incredible. My first question is I have a lifetime involvement in the entertainment industry, which is a parallel to you and pretty wide statement. Mine was in the music business. I found in the '70s when I was a young guy thinking I could set the world on fire as it got years and decades along, say the last 20 years it became different for me, and I'm asking this in a parallel question. To the seniors in the tribe it became difficult to me to always understand what the young people who now had gotten an education because there was one now in the music business 'cause colleges had programs, and all of a sudden they come to me, they get a job. They learn how to dial phones, make calls, do stuff, and then now it's an internet business. But, did the seniors find it a challenge when they were encountered with this fresh look from the young guys that did come out of college?

James Webster: From my perspective, I would say they found it as an opportunity to impart some wisdom on these young upstarts that were coming back. So yeah, I don't think they were offended by it. They may have been taken aback by it a bit, but I think they saw it as to, "This is great that you have this knowledge. This is where we need to be, and we're proud of you for going out and gaining that knowledge, but this is how we treat each other in the tribe. This is how we treat our guests, and this is how you can best use your knowledge." The elders of the tribe really do impart wisdom on the other tribal members, and that's part of the reason that they're held in such high esteem.

Speaker 5: Fabulous. I've also been extremely impressed with your philosophies of what's important, family and friends because you do get to choose friends, and you do get to choose family in one form until the kids come along, and then they choose you, and you have to walk the march to keep them happy. But I think you're ... Again being a Wisconsin guy as you explain it, normally I explain it as a Vince Lombardi philosophy. He didn't step on the field and throw the football, he stood on the side, and he made things go the right way, and everybody won when he did. I look at what you're talking about and feel that you touch that a lot. I think you touched me deeply with your comments about your beliefs, the tribal beliefs, and the history of the tribe. Someday I'm going to show up over there and I'm going to take you to coffee.

James Webster: I would enjoy that. Thank you.

Speaker 5: Okay. Don't be surprised 'cause I do this kind of stuff and especially when I hear somebody that I go, "Now this is a guy I want to meet." And you definitely are

one of those. I commend you on what you're doing. You're steering a pretty darn big ship in an ever-changing industry, but you appear to have a good handle on it and a good long range view. It is kind of interesting as you said about operations and marketing 'cause seldom do those two people sit at the same table or in the same chair. [crosstalk 00:40:53]. Did that come, was your family like that? Is there experience, communications, marketing, social background in your family?

James Webster: No, my dad was a sales person, so communications, but he had an economics degree from Madison, and my mom was a registered nurse. But she went on to develop businesses in the corporate world too for home health care and stuff, so she had a lot of drive.

Speaker 5: It's great hearing you tonight. The show's great. I'm knocked out, and I look forward to meeting with you soon, and continued success.

James Webster: Thank you very much.

Speaker 5: Thank you.

Tino Magnatta: Thank you so much. Thanks for calling in. Have a great night. Great stuff. [crosstalk 00:41:44].

James Webster: Yeah, that was very nice.

Tino Magnatta: Yeah. We get some really great callers calling in. People that appreciate the show. Hello, this is Tino Magnatta. I have Jim Webster on the line. Do you have a question for him?

Speaker 6: Yeah. Excuse me. Great show guys. Jim, I have a quick question for you. Who would you say was a mentor to you and how did it change and inform your career?

James Webster: Boy, I would say that I had a number of mentors at different phases in my life, so part of my core values were really instilled by my football coach, Gary Parker. But moving on in life I would say that Bob [inaudible 00:42:51] who was a manager of mine when I was working at MCI, a very family-oriented guy, very smart, but balanced things extremely well between work and family, and then brought a great deal of integrity into the job and the workplace along with understanding. He was one of the first great team builders that I had run across.

And then I would say that George Lewis, President George Lewis of the Ho-Chunk Nation was another great mentor of mine, and shared a great deal of wisdom. He gave me a great deal of guidance, and that combined together really gave me an empathy for the people that I'm working with, and the teamwork that I try to facilitate, and the way that I hopefully treat my friends and family on a day-to-day basis also. Does that answer your question?

Speaker 6: It does. Thanks. Yep.

Tino Magnatta: Are you there? Hello?

James Webster: I'm still here.

Tino Magnatta: Jim?

James Webster: Yes.

Tino Magnatta: Oh, we dropped out for a sec. I was saying, did you laugh, when you mentioned your football coach you laughed was there a reason for that? Was he a real character?

James Webster: Yeah, he was. He was kind of a hard-nosed, but had a heart of gold, so-

Tino Magnatta: Yeah, I can tell by the way you reacted to that. Okay. That's some pretty neat stuff that you're talking about, pretty neat stuff. Yeah. Hello, this is Tino Magnatta. Do you have a question for Jim?

Speaker 7: Hi, Jim.

James Webster: Hello.

Speaker 7: Tino, can you guys hear me okay?

Tino Magnatta: Yeah, yeah, we can.

Speaker 7: Hey, what do you think are the biggest challenges that gaming is going to be faced in the next couple of years?

James Webster: Seriously I would say that it would be the baby boomers transition into their parents' role. My target audience is like 50 to 70. I'm in a rural area in Wisconsin. But it's an older crowd that really enjoys the experience of coming to the casino and it's not just for gaming, it's more of a social experience for them. I'm not sure if the baby boomers and the millennials after that have that same value. I'm not necessarily seeing it. So it's really, what's going to happen once this current customer base ages out of wanting to come to the casino and experience it? That would be my number one challenge where the next customers are coming from.

And then it will be the evolution of the internet and social gaming, and what that really means for Native American tribes whether it just it opens it up to everybody, commercial and Native Americans and takes exclusivity away from the Native American tribes, or where exactly that's going. I don't think it's well-defined in the industry right now.

Tino Magnatta: Interesting. Very good.

James Webster: Those would be the two major issues I would see. [crosstalk 00:47:12].

Speaker 7: Do you see any of the kids come in with their parents, the parents that are in the 50-plus demo like a family night type of thing even though the kids are [inaudible 00:47:21]?

James Webster: Yeah. Each casino has to address the market that they have, and I've managed a number of the Ho-Chunk casinos, so I've managed to Wisconsin Dells one. The customers there are more metropolitan so that you could bring them to the casino, and then we had like a Kids Quest and you dropped the kids off in the Kids Quest. They could be entertained with movies and games, and that type of stuff while the parents enjoyed some of the gaming. In the casino that I'm at now it's much more of a rural area and there is no place for the kids to go, so it's like adults have to come on their own.

Speaker 7: Right, right. It's a different environment.

James Webster: Did that answer your question though?

Speaker 7: Yeah, yeah. Thanks Jim, keep up the good work.

James Webster: Okay. Thank you.

Tino Magnatta: Thanks a lot. Thanks for calling in. Hello, this is Tino Magnatta. Do you have a call for Jim Webster?

Speaker 8: Hi, I do. [crosstalk 00:48:35]. Can you hear me okay?

Tino Magnatta: Yeah.

James Webster: Yeah.

Speaker 8: Cool. I've been really enjoying the program, and I have to tell you in the beginning when you were talking about the way that you were raised, and the work ethic, and the respect for authority, and for elders, I don't think that that can be underestimated in terms of developing sound citizens, and sound potential business folks and workers. I have so much respect for that, and I was lucky enough to be in that kind of a situation growing up. I don't know how lucky I felt at the time, but it certainly helped out a lot.

My question really though is more around technology, and listening to your career path, and understanding that you were in high tech world for many years, and seeing how although it might be lagging behind a bit technology is more and more important, plays a more and more important role in casino. We look at the way that we have systematic delivering of ordering of cocktails and

promotions that are on kiosks, and customer service that's being delivered through basically primitive forms of artificial intelligence. Do you see that as a plus? Where do you see that going? How do you think that factors in like self-comping, et cetera? How does that factor in with these ideals that we have of good guest service as the differentiator?

James Webster:

I mean it's part of the casino model, and the way I envision it is that you have a automated portion to your customer service, and that's with the kiosks and with the media manager, the service window on the computer where you can order your drinks, and a server will eventually bring it to you, and that type of stuff. And then you have where you really start to personalize the experiences at the Rewards Club desk, but those are very short interactions, and you need to develop a program where your agents are delivering an appropriate message for the short-term duration of the engagement. And then you have your casino hosts, your executive casino hosts that really handle the top 13% of the customers that are the big spenders there.

But to answer your technology question I agree with you, they're very primitive attempts at automating customer service right now. There's a lot of opportunity for growth and improvement in those systems, and they don't do nearly what we would like them to do, and they're not nearly as intelligent as they could be. [inaudible 00:51:49].

Speaker 8:

I appreciate that. I've got a question to follow-up on that. What would be the most, if there is a particular function that you think is missing in terms of the technological delivery of service in casinos is there anything that sticks in your mind as something that, "Gosh, why don't we do that?"

James Webster:

I would say the personalized marketing at the slot machine is really missing. There have been a few attempts by vendors, and service window is I don't think it's unique to IGT, but the ability to automate value-add to the customer's experience based on their behavior is what I think is missing. That if somebody has been at the slot machine for four hours and just pounding away, it might be nice to open up the service window and say, "If you would like us to reserve this machine for you while you get something to eat, or use the rest room, or whatever, press this button." And then it would lock it up for them until they come back to that machine. But it's that type of thing that should be possible, but hasn't been delivered to the marketplace yet.

Speaker 8:

[inaudible 00:53:19]. I mentioned drink on-demand, and then I think you mentioned it as well. I've always been skeptical of that because I think at the end ... I mean yes, you certainly might be able to get your order in faster, but I think there is a implied promise that you're going to get your drink faster, and I don't think that's the case certainly not the case all the time. I think in that particular instance I think you set yourself up for disappointing your guests as opposed to improving them. [crosstalk 00:53:48].

James Webster: As you have more orders coming in you need more servers. If you don't recognize that operationally, yeah, you definitely set yourself and your customer up for a bad experience.

Speaker 8: I think so. I'm in the industry. I'm doing a job right now in Las Vegas, and I'm staying at a property that has legendary service, and I'm not sure to what extent they rely on technology to assist, but I don't think there's, at least to my way of thinking any substitute for the one-on-one positive personal communication, the friendly delivery of service, and it seems like you share that idea from listening to you speak.

James Webster: I definitely do. I have security guards that will tap a customer on the shoulder and say, "Do you want me to save this machine for you while you run and do something?" And I have customers that grab a security officer and say, "Save this for me, would you?" And they do, and that's part of the relationship that they've built and that's part of the customer service that this facility delivers.

Speaker 8: How do you build that culture?

James Webster: It was here when I got here. It's a small community and I'm a major employer in the community, but these people that work here, that have been able to raise families by working here live with the people that are customers here, live in the same neighborhood, so they know them on a personal level. It's incredible. [crosstalk 00:55:31]. Yeah, in Wisconsin Dells where it's more of a touristy market, you can't always have that. It's not like this is a ... You could take the solution here and rubber stamp it everywhere. You really have to deal with the market that you're in. [crosstalk 00:55:50].

Speaker 8: I just want to make another comment about what you said earlier regarding [crosstalk 00:55:54] personalization based on behavior. I have a colleague that was working with me on a job, and he was in his situation he was 1000 miles away from home, and he had a quick loss on a blackjack table of about four or five hundred bucks. I don't remember because there might have been bourbon involved. But through what I'll call sloppy data-based marketing because the time on the game, the number of hands didn't factor, and apparently they didn't look at actual ... They sent him a five dollar coupon from 1000 miles away, and I don't know, I think that's worse than doing nothing.

James Webster: Yeah, that's where analytics and analysis come in before you do your direct mail.

Speaker 8: And I don't know that an algorithm [inaudible 00:56:51] when it comes to making those kinds of decisions, but we get smarter every day I guess.

James Webster: That's funny.

Tino Magnatta: That's amazing. [crosstalk 00:57:04]. Thank you.

Speaker 8: Take care guys. You bet.

Tino Magnatta: Have a good night. Bye-bye. Bye. All right. Well Jim, it's been a fantastic show so much interesting insights and stories. You just bring a unique angle to the whole thing. It was a pleasure having you on, and we definitely want you back on the show some time. Thank you so much.

James Webster: Thank you for having me. I really appreciate it. Have a great night.

Tino Magnatta: You're welcome. Same to you. Take care. Bye.

James Webster: Take care. Bye.

Tino Magnatta: Bye-bye. That was great. Jim is, as you've heard he definitely has a different slant on everything and a well-rounded journey.

So next week, [inaudible 00:57:52] as in Wednesday, next Wednesday, we have a special show October 1, which is the one year anniversary of the Las Vegas shooting, which of course [inaudible 00:58:06] the Vegas Strong movement, and made the city of Las Vegas come together in a way that had never come together before. We have [inaudible 00:58:17] who was there at MGM. He was in the city, and he's going to tell you his harrowing story about what happened at MGM during the shooting and how that inspired him to take action, and actually bring some people in to recreate a live shooting in a casino that trains people. So it's going to be a fantastic show on a lot of levels, and please tune in. Remember everybody's got a story to tell, you just have to have time to listen to it. You all have a great evening. Take care. Bye.

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