



Conversations w/Tino

Guests	Michael Bender
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Tino Magnatta: Welcome and how are you all tonight? This is Tino Magnatta from GT Radio. I have a great friend here tonight on the show, Mr. Michael Bender with JACK Entertainment. How are you, Michael?

Michael Bender: Tino, I'm doing great. How are you?

Tino Magnatta: Good, good. We're going to have some fun tonight. Now, you are very, very unique. You are probably the first and only person that I've interviewed, and I've done probably over 150 of them, that ... You got to tell the story. When did you know that you wanted to be in the casino business?

Michael Bender: Yeah, absolutely. I would say it's a bit unique. When I was growing up, I spent a lot of time with some family members. One of those family members was my Uncle Dick. He would babysit me, go over to his house, and we would sit down at a small little card table and just play five card draw poker all day, literally every day. He would tell me these stories of Las Vegas when I was three, four, five years old; and the lights, and the sounds, and the energy, and the excitement.

Basically from a very young age, I was brainwashed that this was the coolest place in the world. This is what I wanted to do. My mom, she asked me when I was in kindergarten what I wanted to be when I grew up.

I looked at her in the face, I go, "Mom, I want to be a pit boss in Las Vegas."

She looks at me and she's like, "How do you know what that is?" Which is a good question. Uncle Dick, he would give me little slot machine banks for my sixth birthday. I had a handheld video poker game for my seventh birthday, poker DVDs for my eighth birthday, things like that. I always had this desire to get out to Las Vegas, work in the gaming industry. I've been very fortunate, I've had some pretty cool experiences thus far.

Tino Magnatta: Yeah, that's amazing. What do you think, what was it about the business that made it attractive to you?

Michael Bender: Absolutely. I would say I'm a high energy individual. I think our business does cater towards entertainment, fun, high energy type people that really want to provide that experience for the guests that visit our properties. So it was a natural fit to me in a lot of ways. Other than that, I mean the mathematical side of the games, the statistical probabilities for both table games and a slot perspective, that to me was very interesting. Figuring out the ideal optimal ways, basic strategies of each individual game; it was like a puzzle that I wanted to figure out.

Being a player myself, which I continue to be, and then also working on the other side, on the operator side and the marketing side, it's something that's been really engaging to me and enjoyable.

Tino Magnatta: That's great. Now, where are you from originally? Tell me a little bit about your background, and where you grew up, and what your family was like?

Michael Bender: Yeah. Yeah, absolutely. I grew up in Metro Detroit in a town called Birmingham, Michigan. It's maybe about 15 minutes outside the city of Detroit, really nice area, really great place to grow up. I had great, great teachers when I was growing up. I grew up in a middle class family, really good parents, really supportive of my education. My dad is a principal at the school, and a mom is a nurse and a social worker at a hospital. I would definitely call it people that instilled values in me at a young age of taking care of people, providing service to others.

I grew up in that culture, that environment, and it definitely translated into different elements in the hospitality industry. So Birmingham was definitely a place where I met some great friends. Me and my little buddies, sixth grade, seventh grade, eighth grade, we all started having these poker nights. My mom loved it, and all of our parents really loved it because we weren't out causing trouble. We were all in each other's basements where they could keep an eye on us, playing cards all day. We had this little group that would just alternate from house to house just playing different variations of poker, Hold 'Em, Omaha, all that good stuff. It was just a really, really safe community, somewhere that I was very fortunate to grow up in.

Tino Magnatta: Now, what was it like back then around those areas where you grew up? Did you go to the city? Did you watch hockey? What was the ... You were in the Detroit area, right? What was it like back then?

Michael Bender: Yeah, absolutely. Love, love sports. Sports is a big part of my upbringing. So going to a ton of football games. My dad would bring me to college football games, go and watch the Lions out at the Silverdome, as well as Ford Field. Yeah, I mean I went to hockey games, baseball, all that good stuff. It was definitely a part of my upbringing. Played a lot of sports. I was a pretty decent track runner and cross country runner in high school, as well as I was the shortest guy on the high school basketball team. It was definitely a lot of fun, and something that was part of my growing up.

Tino Magnatta: And your parents, what kind of people were they and what kind of upbringing did you have from them? What kind of lessons did you learn that you carried out in the rest of your life?

Michael Bender: Sure. That's a great question. My dad is one of the most principled people that I know. He is one of those people that always follows through, very well respected. He was a principal in his 20s. He was over 30 years as a principal in elementary schools, a couple different elementary schools in the area. This is the kind of guy that would sit down with me when I would have a project in school, and go through, and helping me write my note cards, and help me do my research at the library back when everything wasn't necessarily on the internet

yet. He was just one of those guys that really invested his time, and I really appreciated that.

My mom, I mean she is a caretaker. She's been a nurse, and she decided to go back to school when I was a kid. She got her Masters in Social Work. She has been working in a cancer clinic helping people that do not have insurance, make sure that they get those cancer treatments. These are both very, very ... what I would say respectable people that I have so much admiration for, and I feel very lucky that they're my parents, for sure.

Tino Magnatta: Wow, that's pretty amazing that she would work somewhere like that, right? That's pretty incredible, helping people.

Michael Bender: [crosstalk 00:07:27] It's a type of job that ... Oh, yeah. I mean it's hard. I mean it's not easy to watch a lot of people in those scenarios. It's very difficult life situations. She would certainly tell us and remind us about how lucky we were, and fortunate we were, to be in the situations that we were growing up in. It's something that I always keep at the top of my mind.

Tino Magnatta: Yeah, of course. Tell me a little bit about your school, university, and then where you went from there.

Michael Bender: Sure. So wanting to work in casinos from a young age, I was looking at different colleges that offered gaming programs. It's not necessarily widespread. Of course, you have [UNLV 00:08:09], a couple other noteworthy colleges, but I was fortunate to have Michigan State University, who did offer gaming courses in their hospitality/business school.

I did go to Michigan State with the intention of getting that business degree focusing on casino management right from the beginning. I had some great professors. Rob Brown, who actually has been a director of marketing at several Midwest casinos, he was one of our professors, and had a real industry perspective that when I was going to school as a freshman, a sophomore, a junior, he could bring some of those experiences and share them with us.

One thing I would say is Michigan State is one of the top programs in the country, so I understood how each department truly is ingrained with another when you're talking about the macro level of success in a casino. From hotel operations to [F&B 00:09:06], to the gaming operations side, we really were able to get that full perspective at Michigan State; which I was very fortunate to get.

Tino Magnatta: That's cool.

Michael Bender: I got an opportunity ... Yeah, go ahead, Tino. Yeah. I got an opportunity when I was going to Michigan State to work for MGM Resorts International at Bellagio. So applied for their hospitality internship program, was lucky to be selected in

slot operations over at Bellagio, and I spent an entire summer when I was going to school out in Las Vegas, 21, 22 years old, and just getting exposed to the city, understanding what it's all about, and living out my dream for the first time; and still while completing my degree. That was a great experience, made a lot of great contacts, and that was my goal. After I graduated the next year, I wanted to make sure that I had an opportunity.

Tino Magnatta: Tell us a little bit about that course. What was it like?

Michael Bender: Yeah, sure. At Bellagio, they call it the hospitality internship program. It's a rotational program. The people that were involved, Adam Miller, he was a great help to me. They really want to teach you every single aspect of gaming and hospitality, because of course they want to build up their bench strength at MGM. We got exposed to every single property in the company so we would have different leader speeches where we got to talk to the presidents, or the GMs of the properties. We got to do rotations through different departments.

Mine was focused on the gaming side, meaning the slots, but I got exposed to player development. I got exposed to table games, and even some F&D components as well. It was something where was kind of getting thrown into the fire at a young age, and then either sink or swim. I definitely think that it gave me some big picture perspective on how to be successful long term.

Tino Magnatta: Now, how old were you when you went into the MGM program?

Michael Bender: I believe I was either 21 or 22. I was pretty young.

Tino Magnatta: Yeah. Yeah, yeah. Was it the first time that you really had an opportunity to hang out in Vegas?

Michael Bender: It was. I still remember, I flew out there for the summer. I remember when the plane was landing, it was at night, and I saw all the lights. I saw the Luxor beam, and just the whole strip. To me, it was kind of like this lifelong dream from the time I was a kindergartner coming true for the first time. I went out there with my partner at the time, and a couple of my dogs. They actually moved out there with me as well. It was just so exciting. It was a really exciting time.

Tino Magnatta: That's good. What was it about Vegas and what were the things that you really struck you that you liked about it?

Michael Bender: Sure. No, that's a good question. To me, Vegas is like a city of opportunity, where anything's possible. I think in a lot of ways, my life encapsulated that. I went through a lot of stuff out there. I think I definitely grew up out there, gained a lot of maturity as well. To me, it's the land of opportunity. Maybe 75 casinos in a 20, 30 mile radius. Not only are there a lot of job opportunities, but it's just being exposed to everything: the nightlife, the entertainment. Then you drive maybe 20 minutes off the strip or out of downtown, and it's just like a

normal West Coast city, which is so unique. It was pretty ... I was definitely blown away by that. I didn't expect that, not having been in Las Vegas in the past. I had always pictured it in my mind in a certain way, but I definitely believed that ... It definitely fulfilled all the expectations that I had.

Tino Magnatta: That's cool. So how long were you there for?

Michael Bender: Sure. I lived in Las Vegas about six years, spent time with four different casinos out there. I spent some time at Bellagio when I was in that program at MGM. Then, I did get some time to go downtown. I actually worked at a casino, it's called the D Las Vegas Hotel and Casino, as well as the Golden Gate Casino Hotel. These are a little bit older properties from the standpoint of having some real history or connection to the city of Las Vegas. In fact, the Golden Gate Casino, back when it opened, it was called the Hotel Nevada. The number, if you wanted to dial that hotel, was 1. So you'd just dial 1 on your phone and it would call this property that I worked at.

Tino Magnatta: Wow.

Michael Bender: So there's a lot of history, and that was a really cool place to be; both of those. I worked at both of those at the same time, and held a variety of different roles. I was a casino host for a period of time. I spent some time in table games, a little bit of dealing, a little on the floor as a table game supervisor, a shift manager as well.

Then, I did get an opportunity to be an operations manager for both tables and slots, for both of those casinos. Not too much after that, I got an opportunity to be the director of slots for both of those properties. That was the year where a ton of new slot product was coming out from Aristocrat, [inaudible 00:15:04] ... They were releasing new cabinets and new boxes. We were extremely aggressive in changing out our slot floor. In fact, we probably changed out close to 40% of our slot floor in, I would call it six to nine months. A lot of those were purchases, and we really wanted to make an impact in the city and have a name as one of the top slot floors that you could go anywhere. So we're talking the best themes, the best boxes, the highest quantities of these games. Of course, the loosest pay tables. That was something really exciting. We saw a lot of growth in the year that I was the slot director there.

Tino Magnatta: Now, you ... There's an interesting story behind how you got that job because it was linked in to your roots from Michigan State, right?

Michael Bender: It is, it is. I'll make this one quick, but I did win the spelling bee at my local middle school when I was a kid. I was in sixth grade. I was actually very close to getting on that Scripps Howard National Spelling Bee on ESPN. I'm a pretty good speller. The teacher at my middle school, who was the one in charge of the spelling bee, she traveled with me to the regional spelling bee. It just so happened that we stayed in contact after I graduated from high school, and she

stayed in contact with my family. Turns out her brother was one of the best friends of Derek Stevens, who was the owner of the D and the Golden Gate casinos downtown. She just brought me up in passing at some point, and Derek and I got connected. Yeah, I mean it was so funny because Derek's from Metro Detroit; that connection with my teacher. It's funny how the world works like that.

Tino Magnatta: Yeah, it's just a small world, right?

Michael Bender: Yeah, yeah. Absolutely.

Tino Magnatta: Yeah, yeah. But at the end of the day, birds of a feather flock together. I still have that ... I think that's a very ... You must have jived with Derek, and you got a lot of opportunity there, right?

Michael Bender: Well, Derek, he actually is a Wolverine, so he went to University of Michigan. I was a Spartan from Michigan State, so I give Derek a lot of credit for hiring for his rival from across town to come work for him. I give him a lot of credit. Every year when we would actually have the Michigan/Michigan State football game. We would all hang out at the Long Bar, which is the longest bar in the state of Nevada in the center of the D Casino. It was kind of hard for us to not make eye contact and give each other a hard time, but Derek is a huge supporter of not just the University of Michigan, but Michigan State as well.

When I was there, I did start a management program. We did hire quite a few kids from this Michigan State hospitality school that I graduated from. They are really getting a foothold in those properties. I know they're going to be a big part of the new casino that Derek opens in December 2020 called Circa. I thought it was so cool that he wanted to empower young people and definitely people from the area that he grew up, Metro Detroit. He even makes some significant bets on the Spartans and the Wolverines every March Madness, which is really cool. I know it gets some notoriety around Las Vegas. He always is rooting for those Michigan teams.

Tino Magnatta: Yeah, he's big into sports betting, isn't he?

Michael Bender: Yeah, yeah. I know that they just opened a new sportsbook, it's called Circa Sportsbook. One of my buddies that I did hire for that management program I mentioned, I believe he's the sportsbook manager there, now he's a big part in what they're doing over there. I know they're having a big NFL pool this season, so I'm really excited he's had so much success.

Tino Magnatta: Yeah, that's really good. You got a lot of your baseline and your foundation from downtown Vegas. What happened after that?

Michael Bender: I did, I did. Definitely how I came up, getting exposed to all these situations, and they do big business down there. The growth downtown has been incredible. It

was really cool to be a part of that in the heyday, and really when it was really getting going with double digit growth, and not just at the properties I worked at, but everywhere else downtown.

I did get an opportunity to go over to Station Casinos. I was the director of slots bingo and keno for Boulder Station over on the East side. Really big property, historic property, opened in 1993; big, big, approximately 2500 slot machines. So for me, a little bit of a different challenge, and I was just really excited to try something new in terms of a different approach to the business, especially considering the Station Casino's books was on the locals market.

I've been on the strip, I've been downtown. This was something a little bit different to me. How can we provide exceptional service to those that live in the city, as well as just have a different feel when you walk into work every day; because heading a high frequency locals market as opposed to just seeing players for maybe a weekend and having them fly home, it's a much different feel. I do believe you need to approach the business differently. So spent a year there, and it was a great year. I've learned a ton. A lot of the things that would build the foundation for me to be successful long term.

Tino Magnatta: Yeah. Going from the D to Stations, what were some of the things that were ... that you learned as an evolution?

Michael Bender: Yeah.

Tino Magnatta: You build a foundation at the D. What did you learn at Stations that you hadn't learned at the D?

Michael Bender: Absolutely. Stations has been around a long time, over 40 years, and there's a reason. I mean they pride themselves on guest service. That was a huge part of what we did on a daily basis. Now, another thing that was really, really important and integral to the success of that company is building the database, new card signups. My department, I was really proud that we would obtain several thousand new signups per month. This is in a market and a location where most of our guests are living in the neighborhood or relatively close.

It was being aggressive, building a database, understanding reinvestment levels of different types of players. Whether it was from a table perspective or a slot perspective, Stations does a great job with all of their setups. They have one of the loosest setups in the city, but for video poker and the different variations of slot machines, real slots, video slots; and really understanding what players enjoy from what's called like a hit frequency perspective on a slot machine. It is a science. You can change player behavior if you have the right setup on any individual game. You can have two games sitting side by side with different setups, but if you have the game setup in an optimal way that a guest is going to enjoy it, you can certainly increase revenue. That was something at Stations, really understanding game setups, really understanding player behavior,

reinvestment levels to optimize growth and the business overall. Those are things that I definitely picked up there.

Tino Magnatta: What do you think were some of the challenges there that you weren't facing at the D that you had to overcome?

Michael Bender: Sure, sure. Being on the East side, of course you're going to have a different type of player that's coming through. What I would say is not being a destination market, you're not going to have as many people staying in your hotel. We did have a hotel with a couple hundred rooms, but you didn't necessarily have that business built-in, where they're just coming down from upstairs every day, so they got a machine, or sitting on a table game. So you really needed to get that foot traffic in the door while also having a ton of competition in that locals market.

On Boulder Highway alone, you have Sam's Town, you have the Cannery, you had the Arizona Charlie's on Boulder. We would do comp shops all the time, understand head counts at all of our competitors, really try to evaluate the promotions that they're doing to drive people over to their properties. Then of course, combating that with our own strategies. For us, it was what I would consider more competition in a way. I think the locals market is one of the hardest markets out there. Fremont Street, there was so much foot traffic, people walking around. It was really easy to get people in the building, and the most important thing there was keeping them there once they were inside, making sure they had a great experience.

In Boulder, in a locals casino, it's more about how can we get them in the door initially? That was more of a challenge.

Tino Magnatta: Got it, and more competition is what you're saying.

Michael Bender: I would say so. I would say to me, working in a locals, a strip, and a downtown market, that of all three, I believe the locals market is the most competitive. I believe the locals are more educated gamblers. They're looking for a better game, from a hold standpoint, on a slot machine, they're looking for all three to two payouts on blackjack, things like that. A strip customer might not be looking for some of those advantages when it comes to the rules of the games. These are truly educated gamblers that want the most value for their dollar, and I don't blame them at all. So because of that, we would need to adjust what we did to some very aggressive tactics from our competitors both on Boulder Highway, but also just in Las Vegas in general.

Tino Magnatta: Yeah. What were some of the people that you ran into on the way to your ... on your way out that were mentors to you?

Michael Bender: Yeah.

Tino Magnatta: What did they teach you and how important was that aspect of it?

Michael Bender: Yeah, absolutely. I was very lucky at Stations Casinos to meet some great people that have been in the industry a long time. Myself being a relatively young individual, as a young leader in the industry, really latching on to those mentors and learning as much as you possibly can from them on a daily basis, is what made me successful. It's what made me successful.

A couple noteworthy guys, [Alan Randall 00:26:29]. This guy, he was my slot tech manager when I was downtown at the D and the Golden Gate. This guy had about 25 years of true tech experience, and coming in as a slot director, I was 25 years old when I first became a slot director. This guy was so kind and generous of all the knowledge and the different things he's learned in the industry over several decades. He really set me up for success at the D and the Golden Gate. When I went to Boulder Station, both my ops manager and my assistant general manager, Vince [Tenquanco 00:27:03] and [Johan Mercovic 00:27:03], they were integral to me really growing as a leader, to me understanding the global goals of a property like that, that's so large with 90,000 square feet of gaming space. These guys have been doing it for 30 years at maybe 10 different properties, and really listening, understanding that I don't know everything, and absorbing as much as I can as time went on. That was huge for me.

I've been very lucky to have a lot of people that I've worked with at all five casinos that I've been at in my relatively short career that were great mentors and great supports for me.

Tino Magnatta: That's a really important aspect of it, isn't it? Having mentors on the way up.

Michael Bender: Yup, and I don't think everyone is as lucky as I am to have those people that invest time in them. I do think that my passion definitely showed, and I believe that some of these individuals, I think they felt that I was definitely worth investing time and energy in because I cared so much. I think that goes all the way back to me being so excited about gaming from a young age. But at the same time, I'm sure that there's people that invested in them that they wanted to give back, and they wanted to really share some of that knowledge and expertise they had gained over the years. That's something that, Tino, I really hope to do myself one day. I started it with that management program downtown, and I try to continue to do it every single day with people that either haven't been in this industry as long as I have, or just giving them little drops of knowledge here and there of things that I've seen or experienced, and how I would react in a situation. So hopefully I can be that mentor moving forward.

Tino Magnatta: Where did you go to from after Stations?

Michael Bender: Sure. Got a really cool opportunity to go out to Ohio. Growing up in Michigan, I'm from the Midwest. Very used to the weather out here; it's no big deal to me, all this snow, and sleet, and rain. I really like the culture out here. It's a very

comfortable place to live, and definitely relate to a lot of the people out here. So I got to come to Ohio to JACK Entertainment. Currently I'm the director of casino marketing at JACK Cleveland Casino. Didn't necessarily plan on going back into player development. I had been a host of the D for a couple years, but I assumed that I was going to stay in the slot side, or stay on the gaming ops side; and got a really cool opportunity. We do have a hotel block that we manage over at the Ritz Carlton, which is located right in our building. It is a huge table games casino. We probably have about 45% of our revenue that is generated from table games, where usually you only see table games generating maybe 20% of any given casino's revenue.

Some of the unique dynamics of this property specifically really entice me, as well as some great people that I worked with in the past, they did come out to Ohio as well. Just a lot of growth opportunities. I was really excited about coming out here to JACK Casino.

Tino Magnatta: How did the opportunity come about? Did you just take the call, or was there a connection?

Michael Bender: Sure, sure.

Tino Magnatta: How did it happen?

Michael Bender: Yeah. My assistant general manager at Stations Casinos, he actually went out to Ohio himself. He became the assistant general manager at JACK Cleveland Casino. So just through that relationship that we had, had previously, they had this role open for maybe about a year. He definitely thought I would be a pretty solid fit, and so came out, visited Cleveland. It was the weekend of the Browns opening day, and so I got to see all that energy in the city. Cleveland is an awesome city with a ton of different night life, great restaurants. The sports are obviously ... The fans here are really, really passionate; whether we win or not. We're very passionate about the team. Just being a part of that, I went to an Indians game in one of the suites that they had, and just kind of getting exposed to what the city's about. It felt like the right fit. He was kind of that open door for me. Once I met the rest of the executive team, it just felt like home.

Tino Magnatta: That's great. Yeah, I've been Cleveland a couple times. They got a great Little Italy, too, in Cleveland.

Michael Bender: They do, they do. I've eaten there plenty of times.

Tino Magnatta: Yeah, beautiful, beautiful Little Italy. What was different about JACK than Stations and the D?

Michael Bender: Sure. JACK at the time, we had four properties in our portfolio. It was JACK Cleveland Casino, JACK ThistleDown Racino, which is maybe 20 minutes outside of downtown Cleveland. We had JACK Cincinnati Casino, and then we had

Greektown Casino in Detroit. Having only four casinos in comparison to let's call it Stations' 20 or so casinos, it definitely had a smaller feel, but still had a lot of that advantage of still being a corporate entity in terms of buying power and in terms of just our ability to market to quite a large database.

I would say that the cool thing that I really enjoy about working with JACK is the feedback from not just someone at a level like myself, a director level, but way below me, managers, supervisors, it truly is internalized by our senior level executives. They want to understand what our people are hearing on the floor, and then make instant changes on a daily basis. If we believe that there's a best practice that we're not following, you can make a change in a day, an hour, or even in 10 minutes; which has that small company vibe, while still having that advantage, like I said, of multiple properties in the brand. It really is a place where they empower you. It really is a place where you can impact change in a really great way, and that's one of the reasons I love working there.

Tino Magnatta: How does the market differ from the other places that you've worked?

Michael Bender: Sure, sure. I would say one of the biggest things is here in Ohio, you only have four casinos that have table games. They're located in the four big cities in Ohio. You have Toledo, you have Cincinnati, you have Columbus, and then you have us here in Cleveland. So because of that, we don't have much competition from table games players within the Cleveland area, because we have that proximity base advantage. They can't just necessarily drive down the street and go play table games at a different property. They truly have to drive two hours each way, whether it's to Detroit, or whether it's to Pennsylvania, maybe even West Virginia. They really have to go out their way to go to a competitor.

Now, with our slots, they do have slots in the Racinos here in Ohio. That is truly where our competition lies, and where we need to be very meticulous about how we create our calendars to combat our competitors in the best way. Our main competitors here in the Cleveland market is MGM Northfield Park. They do a great job. They have greater entertainment. They have a huge showroom. They do have some very unique amenities there. We need to make sure that we offer our guests something that differentiates us from them, but it is a market that with table games only being in four casinos in the state, we do have a different approach than we would have in Nevada.

Tino Magnatta: Oh, so what you're saying is, is that the competition is not in the table games, it's in the slots; because they can't have-

Michael Bender: [crosstalk 00:35:29] Not as much, not as much. Now, of course we don't want our table games players traveling and going to a different market; which of course is going to happen. You're going to have people that go to Vegas, or go to Atlantic City, or maybe even go to a regional competitor. But our focus when it comes to the competition side of it is much more focused on slots and what can we do to differentiate our slot products, our hold, and for the most part, I think we do a good job of that. We have one of the loosest slot floors in the

state of Ohio at my property in downtown Cleveland. We've added dozens and dozens of new boxes here just in the last six months. We want to get that new fresh product on the floor, and just make sure that these guests here in a high frequency market like Cleveland have the best of the best.

Tino Magnatta: So you're pushing the game share of the slot market.

Michael Bender: Yeah, yes. We have two properties, too, which is very unique within that same market. Thistledown, they're a Racino, but nonetheless, we want to make sure that our marketing calendars are balanced with them, so that we're not necessarily going after the same people on the same day from our database. We want to make sure that we cater towards guests that can go over to Thistledown, and guests in that area do prefer different types of promotions; whereas some downtown guests, there's different things that excite them more. So yeah, it's definitely a collaborative effort between my team downtown and the Thistledown team, to make sure that our marketing calendars are balanced so that we have something for guests at both locations, and we're not really eating each other. We want to continue to grow our market share overall.

Tino Magnatta: Yeah. Now, you're located right in downtown Cleveland, right?

Michael Bender: We are. Yeah, it's in Tower City Center. It actually used to be an old mall. This building is very unique. We have a four story casino with a buffet on the bottom level, and then we basically have three floors of gaming above that. So you're not going to see that almost anywhere in the country, which definitely creates some unique opportunities, but also challenges for our gaming ops team, maximize time and device, to make sure we get the right games in the right locations. We do have a lot of foot traffic for some of these downtown events, like Indian games, Browns games, Cavs games, or even just concerts, things like that.

Tino Magnatta: So you're saying the whole bottom floor is a buffet?

Michael Bender: Correct, yes. We have the buffet on the bottom floor. It's literally connected to the mall. You can walk from the mall into the casino. We have our security there posted, and get your ID swiped, and all that good stuff. Then on the second floor from the bottom, we do have both a combination of table games and slots. Then on the third floor, we have the same thing, a combination of table games and slots. That's where we have our high limit room as well. Then the fourth floor, we have our poker room, as well as our VIP lounge; and it's called the Library. It's a pretty unique amenity for some of our top tier guests.

Tino Magnatta: Got it. How many square feet of total gaming space do you have there?

Michael Bender: How many total games on the floor?

Tino Magnatta: Yeah, and how many square feet of gaming space?

Michael Bender: Oh sure. We have approximately ... It's 95 or 96 table games. That is a ton. We're constantly making changes. In fact, we're making some changes to our table games pits this week, next week. That number might fluctuate just a couple, but we're close to 100 table games at this property. That kind of shows you just the demand that we have from Cleveland players for tables. I would say at some of these downtown properties that I worked at, it was closer to 30 or 35 tables in Las Vegas at some of these downtown casinos. I mean this is a monster table games operation.

Now in terms of slots, we fluctuate between, I would call it 1200 to 1400 games; just based on bank layouts, different operational initiatives. Hopefully we're going to have some changes here. If we have sports betting coming to Ohio, where I'm sure we're going to have a sportsbook put in the property at some point; but yeah, about 1200 to 1400 games depending on what month it is and really just what games are hot at the moment, because obviously some of the participation games take up a wider footprint.

Tino Magnatta: Yeah, that's amazing; 100 games, 100 table games. That's extraordinary.

Michael Bender: Yeah.

Tino Magnatta: Wow.

Michael Bender: Yeah.

Tino Magnatta: I'd like to see that on a Saturday night.

Michael Bender: It's a lot of fun. You get a lot of energy on the floor. You're walking from pit to pit.

Tino Magnatta: Yeah.

Michael Bender: We have all of our dice games on a single level. It's always fun to see all the dice players just going crazy on a really busy Saturday night, and everybody having a good time and having fun.

Tino Magnatta: That's a great, amazing. You got the Ritz Carlton, of course, which is a great brand and is a great amenity to have there.

Michael Bender: It is.

Tino Magnatta: How many rooms is that?

Michael Bender: Yeah, so it's over 200 rooms. We do have a significant block, especially on weekends, that we utilize for our VIP players. The Ritz Carlton, I would call it the best hotel in downtown Cleveland. They are in the family of companies with us, owned by Dan Gilbert. We do have a great partnership with them. We want to

make sure that our guests go over there and have a wonderful experience. Just based on the Ritz Carlton brand, and the amenities, but also just the service that happens on a daily basis; but it definitely assists us. If guests are coming in from out of state, and they want to have a place to stay that they feel comfortable, and it's connected to the casino. You literally walk through that mall that I mentioned, and you can walk right from the Ritz Carlton into JACK. Really, really cool. We don't necessarily manage the entire hotel, but we manage our block on a daily basis. My team yields those rooms and makes sure that we can get our VIP players in there.

Tino Magnatta: And they allow dogs.

Michael Bender: That's right, that's right. 100%.

Tino Magnatta: Yup. One of the only hotels that does. That's really great.

Michael Bender: Sure, oh yeah. Yeah.

Tino Magnatta: A little detail there that people should know.

Michael Bender: Yes, sir.

Tino Magnatta: And a good one, because a lot of people like to bring their dogs.

Michael Bender: Oh yeah, oh yeah. They can't leave the dog at home.

Tino Magnatta: Yup, yup.

Michael Bender: I've had many dogs in my life as well. Yeah, you got to bring them; 100%.

Tino Magnatta: Got to bring them. Michael, what's your advice to younger people coming up? I mean you're not old or anything, but back in the day, you've had great success in a short period of time. What's your advice to people just getting into the business and trying to make headway?

Michael Bender: Yes. No, it's something that it was definitely some trial and error for me over the years. I've definitely learned a lot of lessons. Looking back, I definitely think that I've been fortunate to have been in certain situations where I've been empowered with an opportunity, and then at that point, it's what do you do with the opportunity. But I would say my main advice would be every single day, you need to show up with passion, and really truly care about what you do, and making an impact. I think that's one of the reasons that I have had some success in my career so far, is that I truly care about what I do. I truly care about what my team members that work in all the departments that I've managed in five casinos now, and really care about our guests, and be genuine about it. It's not just put a smile on your face and go through the motions. It's have people truly feel that you care, that you're there for them.

On a daily basis, just show up ready to go, be creative, don't be afraid to speak your mind. You're going to learn other things along the way. I definitely have not been perfect in any way, shape, or form in my career, but I think that I've learned through being passionate, and I think that as a young leader, people understand that you're not going to know everything. You're not going to be perfect. So I've been very lucky to work with people that were patient and wanted to help me. The key is the passion, the knowledge base, being genuine, caring about people, and then having that translate over time into quantitative success. I think that usually is going to come hand-in-hand.

Tino Magnatta: Yeah, yeah. Passion is definitely a key component of it, right.

Michael Bender: Oh yeah. Yeah. No, 100%. You got to be ready to go. You got to be ready to go. This is not an industry for people that are not certain that they want to be there. You need to really believe in what you're doing to take those steps. I really believe in gaming. I believe in the industry, and I think that's translated.

Tino Magnatta: That's great. Should we take some questions?

Michael Bender: Absolutely. Let's do it.

Tino Magnatta: Some phone calls, let's do it. All right. Hello, this is Tino Magnatta. Do you have a question for Michael?

Arcello: Yeah. Yeah, hi Michael. This is [Arcello 00:45:36] calling from ... I'm actually from New York City. I work over in the Garden. I was curious at your thoughts at non-gaming revenue, sort of surpassing gaming revenue; similar to like the Vegas model. Do you see that being consistent across other properties all over the country?

Michael Bender: That's a great question. I would say that it's not consistent at these different properties I've looked at out of Nevada and Ohio. But when you're talking about non-gaming revenue, it's really what is the goal of that specific business? When I worked in a locals market, especially down the East side at Las Vegas; though our buffet was truly a loss leader. We wanted to offer the best food products or the best food quality at a price that we were really losing money on in a lot of ways. I would not necessarily say that, that translated to every single property that I went to. Sometimes those F&B outlets, or other non-gaming revenue sources can be a source of growth, can be not necessarily a loss leader.

Here in Ohio, we really are trying to use that non-gaming revenue more aggressively to increase our gaming revenue, which is essentially saying, "Okay, that same model that I saw over there at Station Casinos, and out there in the locals market in Las Vegas," ... But for us, we do have a very unique situation, too, where you actually charge for alcohol here in Ohio, whereas in Nevada, it was [inaudible 00:47:17]. That is unique. You can generate some beverage revenue here you don't necessarily see in some of these other properties.

Arcello: Awesome. I appreciate the response there.

Michael Bender: Yeah, absolutely man.

Tino Magnatta: Great. Did you have any questions?

Arcello: No. I really covered it. He really went in-depth on what the difference is between Ohio and Nevada, as a lot of these other states start to dive into that a bit more.

Tino Magnatta: Great. Thanks a lot for calling in, appreciate it.

Arcello: No problem.

Tino Magnatta: Okay, thank you. Bye-bye. Hello, this is Tino Magnatta. Do you have a question or questions for Michael?

Speaker 4: Hi Tino. Yeah, when Michael was talking about sports betting, I'm just curious; what is it going to take to get that either accepted or legal across the country?

Michael Bender: That's a great question. I love sports betting. When I was in Nevada, I was one of the first guys at the book getting my bets in, Friday night, Saturday morning, Sunday morning. I do believe with it basically being jurisdiction by jurisdiction with each state needing to get that approval, as we go along and more states continue to have their legislative bodies get that through, I think the momentum is only going to pick up. I believe we're at around 17 states at this point that have been looking into or made some form of sports betting legal. Here in the Midwest, we have Pennsylvania that's good to go, West Virginia that's good to go. I know Michigan's looking at it, Ohio is aggressively looking at it.

What I've seen is with these sportsbooks coming in not just in Las Vegas, but into New Jersey and some of these regional markets, that it's becoming widely accepted by the general public. TV stations like ESPN, Fox Sports, they are referring the lines. They are referencing the over/under. I think it's just kind of getting that perception that this is something that is not back room anymore if you weren't in the state of Nevada, which is something that is legal, that is good for your gaming revenues, things like that. Just getting that perception out there is going to be a good thing.

For us, we are really excited to hopefully have it in Ohio soon because people are passionate about sports. People really enjoy watching sports. I do believe that it's going to be an opportunity all across the country. I think it's just continuing to see that momentum from the medium, from the bloggers, from the industry itself, talking about that this is something exciting. This is something new, and then those legislative bodies just hopefully seeing the

progress from the tax revenue, and the real advantages to bringing it to those individual states, and hoping we can get it there.

Speaker 4: Wow, thank you. Something else you were talking about is your player market. So as the marketer there at JACK Casino, I was wondering in your opinion, what is the most effective marketing tool in your arsenal right now and why do you think that is?

Michael Bender: That's a great question. We have a lot. We have a lot of tools in terms of what I would say is the most effective. The guests in our market really like instant gratification. They like guarantees. They like tangible things that they can hold or feel. What we have seen a ton of success with in our marketing calendars is gift cards, gifts. When we do have VIP promotions, including some sort of guaranteed element. A great example, we have a promotion that's called JACK spin, where essentially you come into the casino, based on your worth level, you get to spin a slot machine. Usually they're a five or \$10, or \$25 denom slot machine. Whatever you hit in X amount of spins that we're going to give you based on your worth, you get to take in free slot play.

So one thing that we have done recently is we have offered guests the ability to take a guaranteed buyout. If they don't do their spin, they are still going to get a guaranteed amount of free slot play. We've seen participation rate, our response rate, continue to go up with those elements involved. Guests want to feel that they have some sort of value to walk in the door. I really do think having a physical gift, a physical gift card, or knowing that they're going to walk out with at least some free slot play from a promotion, is something that we've seen a ton of success with. We're going to continue going in that direction with the floor.

Speaker 4: Wow. So some of Tino's previous guests have really implemented a lot of digital marketing. Is that any part of what you do in addition to the tangibles, the physical things your customers like to touch?

Michael Bender: Of course, of course. Digital marketing, advertising, any of which you perform is obviously super important. We do focus a lot on our physical mail. Any casino is going to have the database team that's looking to get those pieces out, getting them to doors. But one thing I would say is when we came into the market here as a JACK brand several years ago, it was very important to get the brand awareness out. Now that we do have that JACK brand that's been in the market for over three years, we're going less away from what is JACK and more towards the value adds that players can see and feel, guaranteed parking for certain tiers, things that really resonate with the guest as opposed to just simply brand awareness.

From a VIP perspective, we want to add value to get people in the door from outside markets. That value could be in the form of additional reinvestment, maybe compared to some of those people's locals market that they might get. But also just unique experiences that we can offer players that they're not going

to be able to pay for themselves. They likely might not be able to get that through a different casino.

A great example is I was able to take one of our guests, one of our high worth guests, from JACK to a Cavs game on the Cavs' jet last week. So we traveled to a game out in Milwaukee. This guest was able to give the team a high five, they were coming out of the locker room. He's sitting next to the guys on the team bus, and staying in the team hotel. So those type of experiences, to me personally, really differentiate us in a way, especially in the VIP segment, that maybe just general advertising messages via digital or other means just do not. Those things are, of course are important, but with us, we try to get that personal touch with our high worth guests.

Speaker 4: Thank you, [crosstalk 00:54:57] appreciate that.

Tino Magnatta: Thank you so much. Great questions. This is Tino Magnatta. Do you have a question for Michael Bender?

Speaker 5: Hello, yes. Great show, guys.

Tino Magnatta: Thank you.

Speaker 5: Yeah. Michael, what are some of the things that you find most difficult to accomplish in the casino business?

Michael Bender: Sure. That's another great question. Casino business isn't easy. I would say that once you get to a certain point, you understand the structure and you understand day to day operations. I think in general at any casino, the most difficult thing to have accomplished is getting every single department working hand in hand towards the same goal, and just making sure that everybody from the front line team member all the way up to the leader of the property is on the same page. Communication between all of these different areas because there are so many with security, and F&B, and HR, and table games, and slots, and the list goes on, and compliance, et cetera. Getting everybody on the same page, such a large group of people, to accomplish that goal is one, great customer service, great guest experience. Two, generating that brand loyalty. Three, basically making sure that the guest feels a level of ... that they respect your brand, they respect your messaging. All of those things, it really encapsulates all of those areas.

I would say for me, being at five casinos at this point in my career, different casinos, they definitely had different areas that sometimes were more in tune or less in tune with the others. The ones that have been the most successful from a bottom line and revenue standpoint were the ones that really could get everybody on the same page, be over communicating on a daily basis, and have everyone understand those big picture goals. I think that is difficult. It's not an

easy thing to do, but it really comes from leadership. I've been able to work with some great leaders, and I've seen it happen.

Speaker 5: [crosstalk 00:57:11] Can I ask one more question?

Tino Magnatta: Sure.

Speaker 5: Okay, great. Yeah. Michael, one more question. What are the most important things to understand to be successful in marketing?

Michael Bender: Sure. That's another good question. So for me, to understand, you have to understand your competitors. You have to understand those dynamics in terms of what is the current market share between you and who you would consider your competitors to be? That could be local, that could be regional, that could be on the same street. You really need to understand who those competitors are. Once you understand who those competitors are, you really need to understand why are guests that are not patronizing your business going over there? What is separating them? What is making them different, and how can you combat that?

It doesn't necessarily mean spend more money, have additional spend. For slot play, it doesn't necessarily mean have additional spend on the promotional calendar. To me, it's can we provide a comfortable fun, unique experience that people are going to prefer over going to that competitor? A big part of that is being creative. I do believe here at JACK, we've been very creative with a lot of the things we do.

We don't stay close minded saying, "Hey, we used to do this five, ten years ago. We need to stick with this model, or we need to stick with this criteria for any given event. We need to stay with this marketing message. We're ready to move things on the drop of a dime and go in the direction that we believe our guests are going to enjoy, and our guests are going feel that value."

So to me, it's understanding the competitors, then understanding the advantages that maybe those competitors have at that point in time, and then using some of those lessons to then really getting that loyalty from the guests.

Speaker 5: Okay, perfect. Thanks.

Tino Magnatta: Thanks for calling in, great stuff.

Speaker 5: Thank you guys.

Tino Magnatta: Michael, thanks for being on the show. It's been a great show. You've given us a lot of insight. Boy, your dream has come true. You had a vision since you were in kindergarten, and here you are now. It looks like there's great things in the future in store for you.

Michael Bender: I appreciate that, Tino. Thank you so much for your time. I really appreciate the really, really great questions. It was a lot of fun. I really appreciate it.

Tino Magnatta: Thanks so much, and you have a good night.

Michael Bender: You, too.

Tino Magnatta: Bye-bye. That was great. Michael's a great person, very knowledgeable. It was great to have him on the show. Thursday I have Melanie Chase. She's the GM of the Indigo Sky. Great person, very knowledgeable. Remember, everybody's got a story to tell; you just have to have time to listen. Have a good night everybody, and we'll see you on Thursday; 5:30 Pacific Standard Time. Have a great evening.