

THE ORAL HISTORY OF JAN JONES BLACKHURST

Jan Jones Blackhurst served as the first female mayor of Las Vegas from 1991 to 1999. Following her second term as mayor, she joined Caesars Entertainment, where she created the casino industry's first regulatory practices for problem gaming. Today, Jones Blackhurst continues to make a lasting impact on Las Vegas and its gaming industry as Caesar Entertainment's Executive Vice President of Public Policy and Corporate Responsibility.

I. EARLY LIFE

Where were you born and how did you end up in Nevada?

I was born in Los Angeles and grew up in Santa Monica. I went to Franklin Elementary and then Lincoln Junior High School, but ended up at the Marlborough School for girls for ninth through twelfth. I graduated in a class of sixty-seven and in that class, there were fifteen of us who were accepted to Stanford, which is extraordinary. I then moved to Northern California, where I stayed for almost eight years and graduated from Stanford in 1972. My husband was in law school, so we stayed up there, but later moved back to Southern California. I wanted to go to USC's business school, and my father who was the CEO of Thriftimart super markets, which was a company that we controlled along with Smart and Final, said to me "Well, why would you want to do that? Why don't you come and work for me? I'll teach you everything there is to know about business from an entirely different perspective." I said, "Okay," and I went to work for Thriftimart. I started in their showrooms, which were sort of the precursor to Best Buy. It was really interesting, because he moved me through all of the divisions. In fact, at twenty-five years old, he sent me to New York City — it's amazing what you'll do at twenty-five and don't know any better — and I ended up in New York City, arriving at about midnight. I had never been there, and I was staying at what is now the New York Palace, sitting at my window and looking out at this huge city. I decided it was important that I go and walk, so I walked all over New York until about two in the morning, which was probably really stupid. And then I rented a car to drive into New Jersey, navigated my way through Manhattan, and never

thought a thing about it. He wanted me to look at the pallet stores — the pallet stores were sort of the precursor to Costco. This is when they were starting to have people buy in bulk, which is sort of what we did at Smart and Final Iris. They were always a little cash and carry who focused on businesses and then started broadening it out. So, I was doing a lot of projects like that for my dad. I ended up going to the USC School of Food Marketing and Management and graduated from there.

The reason I came to Las Vegas is because we owned a few supermarkets there. The other 183 stores were all in Southern California. The Las Vegas stores had slot machines — the slot machines were dime, nickel, and video poker, because it was right at the beginning of video poker. The supermarkets didn't make any money at all, but the slot machines made an inordinate amount of money, and we owned the license. We were the last comprehensive gaming license ever issued.¹ My father, being very old school, believed that our business was groceries. He wanted to know why we weren't making money. And at that point I was doing the marketing — a lot of the focused marketing where we were beginning to differentiate between customers. Not all customers wanted the same thing — the same end isles or advertising — or would be moved by the same product. So, he said "Go to Las Vegas and figure out what is going on in these stores." I said, "Okay, I'll go for a year," and I moved to Las Vegas. One of my earliest memories, I had just moved here, and we were on the verge of having a supermarket strike. Hank Greenspun² came to me — I worked in the store on the corner of Charleston and Decatur — to see if he could help me avert any kind of union issues. He didn't think it was good for the city. And we did. We worked together. That was the year I came to Vegas — 1983.

I give a speech, and it's true, you've got to close your eyes and imagine this: you leave from the Los Angeles airport and you're flying to Las Vegas. You're flying at night and it is pitch black from right when you're out of L.A. and across the desert. And about thirty miles out, you see this green neon coming up from the desert — you feel like you're coming to Oz. It's really what it looks like, because there's nothing else there — just the green. When you land at McCarran there's six gates, that's all. And you walk across the

¹ Under Nevada's current regulatory scheme, most non-restricted licenses may only be issued to establishments that meet the state's statute requirements of a "resort hotel." However, this section does not apply to those who obtained a state-issued non-restricted license before July 1, 1992. *See* S.B. 535, 1991 Leg., 66th Sess. (Nv. 1991) (adding NRS § 463.01865). Supermarkets are now only permitted to apply for a restricted license, which limits an establishment to no more than fifteen slot machines, if the operation of such machines is "incidental to the primary business of the establishment." NEV. REV. STAT. § 463.0189 (2016).

² Hank Greenspun was a prominent real estate developer and the former editor and publisher of the Las Vegas Sun. *See Guide to the Hank Greenspun Papers*, UNLV SPECIAL COLLECTIONS, https://www.library.unlv.edu/speccol/ead/MS-00138_greenspun.pdf (last visited Aug. 30, 2017).

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street to surface parking. The town is Decatur on the west, Eastern on the east, Tropicana on the south and Downtown Las Vegas on the north. That's it. People would still ride their horses to the *7-Eleven*. We lived in Major Riddle's³ old house. I had horses in the back and you could ride them where you wanted. When my father-in-law, Fletcher, said to my husband Ted and I that they were going to build Spanish Trails — he said, "You should go out and look at the development." Ted and I drove out there, looked at each other and said, "Who's going to even drive out here?"

So, I worked in the supermarkets and then they sold the company in 1986. They let the last non-restricted gaming license ever issued in the state of Nevada lapse. I told my father, "What are you thinking?" He said, and he's right, "Too much money is never good for you." That's when I went to work with my husband. When we came to Las Vegas, Ted's father had three small dealerships, a Chevy dealership, a Mercedes dealership, and a Fiat dealership. The Mercedes dealership sold about twenty-four cars a month. The Chevy dealership was a big store on Decatur. When I was working, we started growing the dealerships — from three to twelve within a decade. Car dealers are interesting because they operate as self-sufficient — or at least they have in the past. I was the one to say, "We're getting too big and we need a corporate headquarters where we can centralize all of the general administrative services, we can look at some kind of standardization of policy, procedures, and practices." So, we started the Fletcher Jones Management Group, which still operates today in Las Vegas. I was the head of the management group and I started doing all of their marketing. That started because I had done all the marketing for the supermarkets — that's one of the things we tried to do to differentiate us from the other markets — to make it more family owned and specialized. Because of the Thriftmart ads, I started doing the ads for Fletcher.

One of my favorite stories is about the first argument Fletcher and I got into. He always used to tell me, "Nobody cares about anything but price and payment." And I'd say, "That's not true, they care about quality, integrity, and that you give back to the community." He said, "No they don't, when it comes to it, all they care about is price and payment." And I said, "Well good, if that's all they care about, all I'll tell them is that nobody's cheaper than Fletcher Jones." I remember when I said it, everyone was looking at me like — oh my god! But Fletcher looked at me, cracked up, and said, "You know, that's the first true thing we've said all day."

³ Major Riddle was the former owner of the Dunes Hotel and Casino in Las Vegas, which closed in 1993 to make way for the Bellagio. *See Dunes Hotel*, ONLINE NEVADA ENCYCLOPEDIA, <http://www.onlinenevada.org/articles/dunes-hotel> (last visited Aug. 30, 2017).

II. IMPACT AS MAYOR OF LAS VEGAS

How did these early experiences contribute to your success as Mayor of Las Vegas?

I think in several ways, and a lot of it goes go back to my father. My father was gender blind. He put his daughter in the same positions that he'd put his sons — maybe even more so. So, you learn to be very independent, and develop a confidence that I think only being in those kinds of circumstances can give you.

The reason I ran for mayor is that I had been very involved with a group of women — both northern and southern — we used to put on the Governor's Conference on Women every year, and we'd alternate between Northern and Southern Nevada. The Northern Nevada women were really well organized and forward thinking. And in Nevada, the right to choose on abortion was prohibited in the constitution. So, these groups of women came to me and said, "We're going to get on the ballot and we're going to overturn this." And of course, everyone else would say "You can't do that, you'll never get the voters." It takes two votes of the legislature and a vote of the public. We got the first vote of the legislature, I think just so we would go away. But they came to me and said, "Will you work with us on this?" We were the first money to fund the referendum, and we won it. The same group of women came to me in 1991 and said, "There's an open seat for mayor and we think you should run." So, I went and talked with all of the political consultants in Nevada, who are still the political consultants in Nevada, and they all said the same thing — don't be ridiculous, you could never win. And it pissed me off! I remember I went to talk to John Ralston⁴ and he called me a huckster. I said, "A huckster, really John?"

But I do have a theory of why I actually won. I think that there were several elements. One was that I really did have a story to tell. They knew me from making fun of Fletcher, or doing funny commercials — but I also had a story. I had gone to Stanford. . . all you had to do was tell that different piece of the story. I think that there were a lot of invisible voters — mostly women — who were tired of being invisible in the community. And then Steve Wynn⁵ was really willing to place a bet. He did not like Steve Miller — the guy that

⁴ John Ralston was formerly employed as a journalist for the Las Vegas Review Journal, and continues to work as a local political commentator and talk show host. *See About, RALSTON REPORTS*, <https://www.ralstonreports.com/about> (last visited Aug. 30, 2017).

⁵ Steve Wynn is the Chairman and CEO of Wynn Resorts Limited. He is known for creating iconic Las Vegas properties such as The Mirage, Bellagio, Treasure Island, Wynn Las Vegas, and Encore Las Vegas. *See Steve Wynn, BIOGRAPHY.COM*, <https://www.biography.com/people/steve-wynn-201198> (last visited Aug. 31, 2017).

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was running against me. He thought he was bad for the city, and he had his own vision for what he thought the city should be. I think he thought it was time for the city to have a grown-up mayor. Only a gambler would place that kind of bet, because you look at three weeks before the election, Fairbanks — which is still a big polling company — showed that I was twenty-two points behind and couldn't possibly win. And I won in the primary. So, there were a lot of dynamics that were happening in this city.

It's interesting, once I was elected it changed a lot of things. It showed the city that not everyone was going to be able to anoint. I remember Senator Harry Reid and former Nevada Governor, Richard Bryan, asked me to lunch after I was elected, and I met them at this restaurant — I can't remember where it was — but nobody was there. It was just the three of us, and they wanted to know how I did it. I think it forever changed the way that people perceived politics in Las Vegas. It was the perfect time to be mayor, because people were really beginning to look at Las Vegas. All of a sudden, in that decade, we became the fastest growing city in the United States for almost every year of those decades. We probably put \$60 billion worth of infrastructure in place — there was no beltway, there was no flood district, there was no library district, there was no bus system — there was nothing. We went from fifteen to thirty-five million visitors. We built an additional 75,000 hotel rooms. We built a secondary water delivery system out of Lake Mead.

I think on the social front, we changed things because here was a woman who was the CEO of Las Vegas. And as much as Clark County hates this — nobody cares who Clark County is — they only care who Las Vegas is. People on the outside, they only want to talk to the Mayor of Las Vegas, they don't need to talk to the County Commissioner. They would rather talk to the Mayor of Las Vegas than the Governor of Nevada, unless you're Brian Sandoval — he's very charming. So, you had this huge platform of visibility for the city and what we were doing, and why we're growing, and why you wanted to come and visit us, and why you wanted to live here. It was really extraordinary — the opportunities it gave to both position the city, and to really start taking positions on social issues.

When I was elected mayor, no one would even say the words gay or lesbian. I was the first elected official in the valley to ever speak to Lambda. Lambda is the biggest and most prestigious association of gay and lesbian professionals — doctors, lawyers, accountants. No elected official had ever been in a gay pride parade. I was the first one to lead an AIDS walk. I remember there was this awful person who was going around to all of the states and trying to get legislatures to reinstate sodomy laws. And nobody would say anything. I held a press conference on the steps of City Hall and said, "You're not welcome in our city." And the minute I did, everybody else did. It's amazing. People just sometimes aren't brave. They're so busy listening to what they think will get them reelected, that they forget what's important about being elected. So, not only did he leave, but suddenly the governor, the county

commissioner, and every other mayor of every city is saying the same thing. What you do is allow people to really become a part of the community. There were all of these pockets of invisible people.

My first day as mayor, the homeless marched on City Hall. There must have been 170 homeless and everybody is saying, “You can’t go out there.” And I said, “Really? They’re just people, I’m going out there.” This was still when all my male council members thought that they needed to protect me. So, I went out — and everything they said had merit. They had no services. They didn’t know where to go. We had no programs, we had no housing, we had nothing. So, we put in place what I think was state-of-the-art homeless programs. We had a crisis intervention center, which was right down on Main Street, where I had city, county, federal, and state services housed in that office — in fact it was an old Smart and Final building. If you were homeless, all you would have to do is go in and do intake, and then they’d send you to the right cubicle. You know, if you’re homeless — we didn’t have a bus system and you don’t have any money — how are you possibly going to get to someone who can give you help? We put in the MASH Center, which was modeled after a program in San Diego — an unbelievable, huge facility. When Oscar Goodman was elected, he dismantled it all. And if you’ve been down to Main Street, you can see.

Do you know how many homeless children there are in the Clark County School District? 14,600 documented. It’s disgraceful. I have a theory about it. I remember when I was first mayor, my male consultants who helped elect me kept saying, “You’ve got to do something, you’ve got to show them.” What are you talking about? We do something every day, we just built this entire homeless program — but that’s a woman’s issue. And I think that’s why Oscar dismantled it. He needed the money and was going to put it into something else.

III. INSIGHTS ON NEVADA’S GAMING INDUSTRY

What changes have you seen across the gaming industry since you first arrived in Las Vegas?

Well, almost every casino on the Strip except for Caesars, the Flamingo, Harrah’s, and Bally’s has been imploded since I first arrived here. The Dunes, the Aladdin, the Hacienda. . . When I was first elected mayor, Jackie Gaughan⁶ still ran the El Cortez and the Flamingo — and maybe even Tropicana, I’m not positive — but in those days, they kept a book. And every month they would

⁶ Jackie Gaughan was a Las Vegas casino owner and operator, most notably of the El Cortez. See David McKee, *Jackie Gaughan, 1920-2014*, STIFFS AND GEORGES: A L.V. ADVISOR BLOG (Mar. 12, 2014), <https://www.lasvegasadvisor.com/stiffs-and-georges/jackie-gaughan-1920-2014/>.

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all give their numbers. Because remember, these are all entrepreneurs, and there weren't really public companies so they all shared their numbers. So, Jackie was showing me the book because the property in Las Vegas that did the most EBITDA was the Flamingo. Even back then — it was like \$70 million.

But Steve Wynn's the one who got it — he got it with the Mirage. Before you'd build these big boxes and there were no windows, no doors, no clocks. Steve figured out, "I don't need to keep them inside — I just need them to want to walk through." And so, he created the attractions that would bring them in. They had to come into his casino, and once they came in they would gamble a little, eat a little, shop a little. And because Las Vegas is full of really smart people, everybody went, "Wow, we can do this." They just kept getting better and better and better at it. Sheldon Adelson⁷ did not buy the Sands because he wanted to be in the casino business. He wanted to be in the convention business, and that was the only property that had enough space. That's why he bought it.

Is there anything that you miss about the gaming industry of the past?

It was such a small community. You knew everybody that were the heads of these big companies and they are bigger-than-life people. They really are — all of them. And what they brought and how they saw the world. . . If you would go down to get a contribution from Jack Binion,⁸ he would take you to the vault and give you cash. I remember I gave an interview to the Los Angeles Times — this is my second run for governor — and I was the last person to see Teddy Binion⁹ alive. I went to see Teddy that day, and that day he really wanted to go through old scrapbooks, and he was showing me old pictures and coins. His girlfriend, Sandy was out shopping, and we were waiting for her to

⁷ Sheldon Adelson (hereinafter Sheldon) is the Chairman and Chief Executive Officer of the Las Vegas Sands Corporation, which owns the Venetian, Palazzo, and Marina Bay Sands among other well-known casino resorts. See *Sheldon Adelson*, BIOGRAPHY.COM, <https://www.biography.com/people/sheldon-adelson-20956059> (last visited Aug. 31, 2017).

⁸ Jack Binion is the son of casino mogul Lester Ben "Benny" Binion. He became the president of Binion's Horseshoe in Downtown Las Vegas at age twenty-six, and continues to serve as the chairman, CEO and Secretary of Horseshoe Gaming Holding LLC. See *The Oral History of Jack Binion*, 7 UNLV GAMING L. J. 1 (2017); see also *Jack B. Binion*, BLOOMBERG, <https://www.bloomberg.com/research/stocks/private/person.asp?personId=6968181&privcapId=817142> (last visited Nov. 16, 2017).

⁹ Ted Binion is also a son of Benny Binion. He served as the casino manager of the Horseshoe in Downtown Las Vegas, alongside his brother and president of the Horseshoe, Ted Binion. See *Ted Binion*, REVOLVY, https://www.revolv.com/main/index.php?s=Ted%20Binion&item_type=topic (last visited Nov. 16, 2017).

get home. He gave me a bank bag that had \$40,000 in it. And so, in some article in the L.A. Times I said that, and my campaign manager called and said, “Oh my god, it’s in the paper that you took \$40,000 in cash — you’ve got to change that!” I said, “Roy, I did take \$40,000 in cash!”

Then there was Margaret Elardi¹⁰ — I loved Margaret Elardi — you know you had some very tough women in gaming. Jeanne Hood,¹¹ Claudine Williams,¹² and Margaret Elardi — these were not wallflowers. These were tough women. Margaret Elardi, do you know how she got into gaming? Her husband was a builder or something and he sold his business. Margaret said, “Well, I don’t want to retire.” And he said, “Okay, I’ll give you half of the money from selling the business and you can do with it whatever you want.” So, she bought the Pioneer Club. When she was in the midst of a terrible strike at the Frontier that went on and on and on, first she wanted to sell. I set up a meeting for her to go meet with Bill Bennett.¹³ This was the most amazing meeting you’ve ever seen — they had never met each other. We went to Bill’s office that was on Desert Inn and Jones and Margaret went in and she said, “I want you to buy the Frontier.” Bill asked how many rooms, what does it do in EBITDA. She said, “It does \$70 million a year in EBITDA.” So, he said, “Well, can you get me some numbers?” And she said, “What do you mean numbers? I just told you what it does!”

I set up a meeting for her and John Wilhelm,¹⁴ who was the head of the Culinary Union. John said that one of his biggest disappointments was that he couldn’t get to a resolution on that strike — that somehow, he should have been

¹⁰ Margaret Elardi was a former Las Vegas hotel and casino owner and operator, most notably of the Pioneer Club and the Frontier, which are no longer operational. See John Gorham, *Die With Your Boots On*, FORBES (Jan. 11, 1999), <https://www.forbes.com/forbes/1999/0111/6301051a.html>.

¹¹ Jeanne Hood was the former president of the Four Queens Casino in the 1970s. See John L. Smith, *Female Casino ‘Pioneer’ Jeanne Hood Dies*, L.V. REV.-J. (Aug. 3, 2009), <https://www.reviewjournal.com/uncategorized/female-casino-pioneer-jeanne-hood-dies-3/>.

¹² Claudine Williams was the president and general manager of the former Holiday Casino, and was notably the first woman to manage a Las Vegas Strip casino. See Associated Press, *Claudine Williams*, 88; *First Woman to Manage a Major Las Vegas Strip Casino*, L.A. TIMES (May 15, 2009), <http://www.latimes.com/local/obituaries/la-me-claudine-williams15-2009may15-story.html>.

¹³ Bill Bennett was the former chairman of Circus Circus Enterprises, and was integral in building both the Excalibur and Luxor Casinos on the Las Vegas Strip in the 1990s. See Myrna Oliver, *William Bennett, 78; Opened Las Vegas to Mid-American Masses*, L.A. TIMES (Dec. 27, 2002), <http://articles.latimes.com/2002/dec/27/local/me-billbennett27>.

¹⁴ John Wilhelm is currently the president of the Hotel Employees and Restaurant Employees (HERE) International Union. See Michael Mishak, *Wilhelm’s Stand: Labor Will Rebuild Middle Class*, L.V. SUN (May 31, 2009), <https://lasvegassun.com/news/2009/may/31/wilhelms-stand-labor-will-rebuild-middle-class/>.

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able to make that happen. It wasn't anything to do with being anti-union, it was about wages — they wanted her to be union. But she had a falling-out with her daughter, and her sons were running the Frontier. She didn't want to step on their toes. So, it was: "Do I go on fighting with the unions, or do I lose my family?" And she wasn't willing to do it. But everybody turned her into such a villain, and she wasn't any of those things. She was lovely.

When thinking of lovely people, I also think of Elias Ghanem.¹⁵ He was the doctor in town. He was Elvis' doctor, one of the king-makers. Nobody ever did anything if they didn't run it by Elias. He died in the late 1990s of cancer. I went to see Elias one day and he was with Mike Tyson. You know you would walk into people's houses and there were all these random people there. We were at Elias' house for a fundraiser for the DNC — for Bill Clinton. When I met Air Force One, I realized this might be the last time my daughters have the chance to meet a sitting president. So, I went to the head of events and said, "Do you think we could get them approved?" Because it was very hard to get onto these lists to come to the fundraiser. And they said, "Well, we'll try." I said great and I called my girls and told them, "Get dressed, get up, you've got to be at the Ghanem's house." So, they got there and we were talking, and the president started to speak. The head of events came over and said, "Mayor, we're really sorry. We got them through the first gate, but we couldn't get them through the second, and once a president starts to speak, everything goes into lockdown." I said, "Okay, don't worry about it." And so, President Clinton was leaving, and he came and said, "It was nice to see you." And I said, "It was nice to see you too, I'm sorry my girls missed you." He goes, "What do you mean?" I said, "Oh they couldn't get through the second gate." He calls over the secret service and goes, "How many times have I told you not to do that!" He looks and me and says, "Get in the car." And I insist, "Mr. President, it is okay." He said, "Get in the car!" So, you've got five vans in front, the presidential limousine, five security vans behind, the helicopters going — and he says, "Just look out the window and tell me when you see them." From my girls' perspective, all of a sudden, they saw the presidential limousine, then they saw the president, and then they saw a blonde. He stops the car, he gets out — and now this is an unexpected stop, so everybody is going nuts — he walks straight across, and all of a sudden you see my daughters' faces when they realize what's happening. My younger one throws her arms around his neck and he sat there and talked to them for probably seven minutes, then got in the car and went on his way. Think about that — who does that?

¹⁵ Elias Ghanem was a prominent Las Vegas physician and boxing official, who was locally known as a "physician to the stars," since his patients included Elvis Presley, Wayne Newton and Michael Jackson. See *Hundreds Bid Farewell at Services for Ghanem*, L.V. SUN (Aug. 31, 2001), <https://lasvegassun.com/news/2001/aug/31/hundreds-bid-farewell-at-services-for-ghanem/>.

What are your opinions on eSports and the future of the gaming industry?

We're still trying to figure out how to monetize it and how to keep the responsible gaming aspect, because so many of both your viewers and your players are underage. We think it's a big opportunity. We did a tournament here about a month ago, and there were 2,000 people here, but there was like two-million online viewers. You're going to find a way that you can bet on it. It's interesting, I sit on the stadium authority with the Raiders, and when we did the lease, they were very clear that there be no gambling in the stadium. But I called Bill Hornbuckle¹⁶ afterward and said, "Bill, how are you going to keep gambling out of the stadium because it's legal in Nevada and anybody can do it on their phone." You can't. It's ridiculous. The sports betting in Las Vegas is in the millions. Illegal sports betting in the United States is in the multi-billions — everybody is betting on sports. It'll be interesting to see what happens with the Supreme Court.

This is why in 1982 you have one shaft of green neon, and today Las Vegas kind of starts where California ends. It's built by entrepreneurs; it's built by big vision. Very similar to the car industry, with the exception of Caesars, it's very homegrown too. They don't go out and recruit. Gary Loveman,¹⁷ who was a professor, wanted the Stanford and Harvard MBAs. But if you go around and you look at these other big gaming companies, they grow their own talent. They try to grow their talent from within, they move them up, they move them through all the same positions — I know my husband Ted has always felt very strongly about that in the car business. Even when he got his sons ready to go into it, they had to work in service, they had to go work on the sales floor — they couldn't even work sales for him, they had to work sales for some other dealer. Because they have to know how to think car business. And I think you find a lot of that in the gaming business.

We [at Caesars Entertainment] run these huge corporate offices — not Steve Wynn or Sheldon Adelson — they run tight-ship, ten people, they don't need all that. But it's interesting to watch some of the entrepreneurs — the new, young entrepreneurs in gaming — they're all starting again in Downtown Las Vegas. Everything that happened in Downtown Las Vegas didn't just happen. In the 1990s, and remember Steve Wynn owned the Golden Nugget, you had Jeanne Hood, and Jackie Gaughan — but Downtown Las Vegas was dying. It used to be that 80% of people that came to Las Vegas took one trip downtown, and then it was only 20%. So, we had to do something. And in order to stabilize

¹⁶ Bill Hornbuckle is currently President of MGM Resorts International. See *Bill Hornbuckle*, *President*, MGM THINK, <http://www.mgmthink.com/BillHornbuckleBio> (last visited Aug. 31, 2017).

¹⁷ Gary Loveman served as the Chief Executive Officer of Caesars Entertainment from 2003 to 2015. See *Gary W. Loveman*, BLOOMBERG, <http://www.bloomberg.com/research/stocks/people/person.asp?personId=298182&privcapId=298176> (last visited Aug. 30, 2017).

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and preserve Downtown Las Vegas, you first had to stabilize the employee base. That was all of the people that worked in the casinos and worked in government, because remember, all of the government was downtown.

The Fremont Street Experience was about creating an attraction — sort of like the Mirage — that would give people a reason to come downtown. In essence, it created the world's largest casino space because you could walk along Fremont Street, in and out of it. So, it stabilized the erosion of all these properties being on the verge of closing. Then, the county was going to move out to Summerlin, and I had been working with Union Pacific because we were master planning. I flew to Maryland and said that I would get all of the master planning and zoning in place, in return for four and a half acres of land — right here, for this price. And they did it. I held a press conference and offered it to the county for \$10, because I knew they couldn't say no. So that's why you still have the city and the county all centralized. We built the federal court, it was a failed project from the prior administration that never went forward. Irwin and Steven Molasky¹⁸ helped me get that land, because Lloyd George¹⁹ and Harry [Reid] got us the money to build the new federal courthouse. Harry did it for the city, but for Judge George as well. Then I worked with Nancy Becker²⁰ and Bruce Woodbury²¹ on building all of the Clark County courts. Everything stayed in one area. Matt Callister²² and I did all of the zoning and planning that went into East Las Vegas Boulevard — it goes down about five city blocks — we did all of the master planning for that. We figured that at one point, the growth would start going that way. And it has. Even the Smith Center — the last thing I did as mayor was acquire that land for the city.

What's happening downtown now is that the young, sort of hip, cool gaming guys are starting down there. And I think it goes back to the point that because Las Vegas is really built and still largely run by entrepreneurs, they're

¹⁸ Steven Molasky is the son of Las Vegas real estate developer, Irwin Molasky, who notably developed the Boulevard Mall, Sunrise Hospital, and the Bank of America Plaza. See A.D. Hopkins, *Irwin Molasky*, L.V. REV.-J. (Sept. 12, 1999), <https://www.reviewjournal.com/news/irwin-molasky/>.

¹⁹ Lloyd George is a United States District Court Judge for the District of Nevada. See *Judge Lloyd D. George*, U.S.D.C., D. Nev., <http://www.nvd.uscourts.gov/bio/lloydgeorge.aspx> (last visited Aug. 30, 2017).

²⁰ Nancy Becker is a former Justice of the Nevada Supreme Court, and has also served as Chief Deputy District Attorney in Clark County. See *Justice Nancy Becker (Ret.)*, ADVANCED RESOL. MGMT, <http://armadr.com/justice-nancy-becker-ret/> (last visited Aug. 31, 2017).

²¹ Bruce Woodbury served as Clark County Commissioner from 1982 to 2008. See Jeremy Twitchell, *Woodbury Bids Farewell to Office*, L.V. SUN (Dec. 24, 2008), <https://lasvegassun.com/news/2008/dec/24/woodburys-decades-service-lauded-his-final-commiss/>.

²² Matt Callister currently works as a litigation attorney in Las Vegas, and has also served as a state senator, assemblyman, and Las Vegas City Council Member. See Joe Schoenmann, *Six Questions for Matt Callister*, L.V. SUN (Oct. 27, 2008), <https://lasvegassun.com/news/2008/oct/27/six-questions-matt-callister/>.

never stagnant — they're always looking for what to change or add. You never find that kind of energy in another industry in another city. I laugh, our CEO, Mark Frissora — Mark was the CEO of Hertz and Tenneco — once you become the CEO of a gaming company, you are never going back. Because think of all of the things that are happening. You've got food, you've got clubs, you've got entertainment. One day you're on stage with J-Lo, the next day you're flying to Japan to meet with Abe. It's always something different and changing.

But it was interesting. In the 1990s we were booming, people would come to Las Vegas and I would want to take them out and show them the communities. When I first moved to Las Vegas, developers ruled the world. You had no green spaces, sidewalks that they built out, no lot lines and no landscaping except in Rancho Circle and over by the Huntridge Theater where a lot of people were. We stopped that and said, "No way. If we're going to build a city, we're going to build a beautiful city." You could never get people to go out and see the city beyond the Strip. They just weren't interested.

It was after we approved the Raiders — which by the way was a really good decision, and people say, "Well, the money could have gone toward education." That's all bull, that's room tax. Room tax by statute is dedicated to go to tourism and infrastructure. We haven't had a major development on the Strip in the last decade. We [Caesars Entertainment] did the Linq — \$500 million — but the Raiders stadium is a \$2 billion investment that will become almost another convention space. The one venue Las Vegas doesn't currently have is the venue that seats 65,000 for the World Cups and the Super Bowls. When the Raiders put on their website the pre-reserved tickets, they didn't make a big deal of it at all because they didn't want to upset their fan base. They didn't say anything, put it up, and it crashed all of their servers. In two weeks, they had 58,000 reserve orders. Because people want to come here. You'll come here to see your team play, you'll come here to see the Raiders play and make a weekend of it. We only have to fill it ten games, that won't be hard! We're also talking about building an eSports theater. But you certainly have to figure out how that works.

How do you think the gaming industry will be impacted by Nevada's recent legalization of recreational marijuana?

I think that people are going to have to be really careful. I think it was a mistake — I have nothing against marijuana and I don't care who uses it. But in a city this size, trying to both police and keep safe the mood enhancers you already have, the last thing you needed to do was legalize marijuana. In fact, the Resort Association has taken a very strong stand that it is not okay. People will not be allowed — at least if we can see it — to use marijuana any more publicly in our facilities than they were before. Nobody in gaming — I had calls from people asking whether I wanted to be a part of a consortium and I

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said no. And then the Gaming Control Board actually came out and said no.

I think Metro will be pretty diligent in the resort corridor and the rest of the city. We passed it. It's legal. And I do believe that incarcerating all the people that we put in jail for using or selling marijuana is ridiculous. It's part of our problem of overcrowding. Just fine them. Here's going to be the touchy thing: in employment, there's the drug test. Even if they're only using it at home, it's going to show up in their blood and in their hair. People are going to have to adapt. We complicate the problem because we are a privileged industry.

What is your position on Internet gaming?

There are some who think, "Click your mouse, lose your house," and that's just absurd. First of all, Harrah's and then Caesars were really at the forefront of all responsible gaming programs. We were the first to put in a code of commitment, and I remember at that time the industry was saying, "Well, we don't want to do that." And I said, "Yes we do." So, we held ourselves to a standard and pretty soon everyone came along. We really did the science behind responsible gaming programs, and in Internet gaming, it is so much easier to monitor, control, know who's on your site and what they're doing. If you look at New Jersey and Delaware, nobody has ever breached the intrastate barriers. And if you look at the statistics, real pathological gamblers are 1% worldwide — every country has studied it because they think they're going to be different — yet everyone is 1%. People gamble for fun. Some people gamble because they think they're good at it and can win money. But nobody's going to be obsessively gambling.

I think that if this industry doesn't figure out how to get into the Internet business, they're going to be in trouble. Because I don't think you can look at any major retail industry in the world — if they didn't leverage the Internet, they're no longer in business. In fact, the data that we found in New Jersey, is that the majority of people on the Internet in New Jersey haven't gambled in the last seven years — 70% of them haven't been brick-and-mortar customers, but they're entirely open to then being invited to come to a casino. It's just a different method of which you acquire customers. Look at the most successful — Pottery Barn and Williams-Sonoma — they have catalogues, they have Internet, and they have brick-and-mortar. So, they're constantly cross-selling and cross-marketing.

Do you have a position on the Nevada Lottery, and whether it would have a positive impact on the economy and industry?

Of course. The only reason we don't have a lottery is because local casinos don't want a lottery because they believe that it will divert revenue that is going into their casinos. I personally disagree with that, and if that's what you're afraid of, sell the lottery tickets inside the casino. You've seen how we write

Nevada law — “The only way you can buy a lottery ticket is in a casino, not a convenience store.” And I think there’s probably \$100 million sitting there that we could be using. We need it. Just model it off of Georgia, because every lottery in the country says that the money goes to education. The money does go to education, but it’s not accretive, because they take the money that was going to education and move it somewhere else. Only Georgia prohibits depletion, and that’s why they’re so flush. Because they wouldn’t let it slide out the other side. So, if you do that in Nevada, you really do have real money that is coming in and that you can do things with.

IV. GENDER DIVERSITY IN THE GAMING INDUSTRY

You were Las Vegas’ first female mayor, but you’ve also been working to correct the gender imbalance found among executives in the gaming industry. What steps do you think the industry should take to address this imbalance?

I think what the industry needs to do is a gender equality index patterned after the Human Rights Committee — they have forever changed how people do policy around LGBTQ issues, because they did something brilliant. They said, “We have these twenty-million members who spend upwards of \$60 billion a year. We’re going to take 100, then move to 500, Fortune 500 companies, and we’re going to rate them based on their policies and practices related to hiring gay and lesbians, their domestic partners, etc.” Then they push that information out to their members and said, “Do business with them, but not them.” Put your money here, not there. And now you look today — I’m convinced — that gay marriage is now legal because they socialized their issues in a very broad and visible way.

I’ve been giving the same speech for the past twenty-five years on pay equity. Why am I still giving the same speech? Why is the representation of women exactly the same on corporate boards, in corporate C-suites, and in government? They haven’t changed at all. If anything, it has gone down. One of my favorite statistics: there are more CEOs named David than there are the total number of women CEOs in Fortune 500 companies. But at the same time there is all of this body of data that has been collected that shows that the more you equalize your ratio of men to women in really senior positions and in board representation, your numbers go up — your return on equity, your return on sales, your return on revenues, your operating performance. The data is there — duh! We just got through the legislature — and it was much tougher than you might have thought — the first ever gender equality index in any state in the U.S. . . . little ol’ Nevada is number one. We’re putting together all the criteria around it now. They’ll be reported, it’s voluntary, but that’s fine. You’ll get twenty best practice companies and you’ll have them be the first ones — including universities and governments. Then we’re working with the Woman’s Research Institute and we’ll package it. We’re measuring things like,

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“Of the top ten direct reports to the CEO, how many are men and how many are women? Of the top ten highest paid people in your company, how many are men and how many are women? Do you have a pay equity plan in place? Have you done a pay equity analysis? Have you done conscious bias training?” You know, these kinds of both tangible and measurable policy issues.

Some of it is that you have workplace cultures that were established in the 1950s. And so, what that does, when women start having children, you have this subconscious bias that begins to come in saying, “Well, they aren’t going to work as hard, they’re going to be less likely to move.” It really becomes a very misogynistic attitude. So, they first start deselecting women and then women start deselecting corporate America. Work cultures, they can change now. Maybe ten years ago they couldn’t, but with technology and the ability you have to work remotely, to be visible in a meeting without having to be right at the meeting. The way that I’ve always hired anybody on my team — I don’t care where you live, and I don’t care what hours you work. I care that you meet all of my goals, objectives, and measurable criteria. I think when we do the first compilation of the gender equality indexes in Nevada — it’s going to be a huge employee engagement tool. Employees care, and it’s not just women, they care. And that’s where you’ll get these other companies to do it. If I’m pushing out my numbers and we have done pay equity analysis and these great numbers and policies — people are going to start wanting to come to work for us, and people in the other big companies are going to be saying, “Hey, wait a minute. . .”

This started when I found out about a Governor’s Commission for Women that I had never heard of. So, Caesars funded them, and I said to Elisa Cafferata,²³ “Let’s do this.” She said, “I’m in.” I got us a sponsor on the Republican side — [Senator] Becky Harris — and on the democratic side, so it would be bipartisan. Then I went to the speaker and the majority leader and said, “This really, really matters to me.” And then the House of Representatives was going to be the first to kill it, and I was like, “Come on you guys, you’re killing me here.” Do you know that the Pay Equality Act has been proposed every year in Congress since 1994 and it has never been passed? But, how did HRC do it? They shined a light on it. Now that we got this through, I’m taking it to New York and I’m going to start going to different progressive legislatures to get them to mirror what we passed. Best practice companies, they have a good story to tell. So, they’re going to start telling their story.

When can we expect to see the index?

We are working on the language of the instrument right now. So, we

²³ Elisa Cafferata is CEO of Nevada Advocates for Planned Parenthood Affiliates. See Sean Whaley, *Panel OKs ‘Values Life’ License Plate; Litigation Expected*, L.V. REV.-J. (Nov. 24, 2015), <https://www.reviewjournal.com/local/local-nevada/panel-oks-values-life-license-plate-litigation-expected/>.

should have that — we’re looking at September. We then need to go to the Commission on Women and make sure that they’re comfortable. I then need to go with the Secretary of State [Barbara Cegavske] and make sure that she is aligned. That was really interesting to watch, too. When Barbara first saw it, she was going to kill it. And I went and said, “Barbara, you can be a hero. Do you know how good this will make Nevada look? Do you know how good this will make you look? So, she said, “Well, let me go back and look at it.” And she found a way to do it for nothing. I think that’s what I learned the most from politics. . .when I ran I thought I was going to run it like a business, and I was going to bring in all of this business acumen — well government is nothing like a business. It doesn’t think, act, or operate. I learned how to be better in business from having been in politics. Because you learn how to compromise, everything in politics is compromise. And then when you need to use your voice to push an agenda forward, or when you need to engage for public support if you’re not getting it from political support, how you keep everybody’s feelings — everybody has something to benefit – but you really learn that in politics much more than in business.

What would be your advice to women looking to enter into executive positions in the gaming industry?

I tell women — in fact I just advised a young woman who works for me today this — I ran a city, so they assume talent. If you really want to get into the gaming industry and move up, you’ve got to look at operations positions. Because men like to run things — like to run trains and cars — so if you’re not an operator, or at least on an operator track, or data analytics, really look for a position where you are going to be seen as bringing operating acumen. You can also do the community engagement — corporate responsibility is becoming a very big issue, not only in the gaming industry, but in all industries because they are beginning to see that the markets care — that institutional investors, consumers and employees care. So, you can get in since operating can take a lot of time. It’s where the most money and the quickest advancement is. Although, we’ve got a lot of women general managers. If you come up through HR you can do a lot of really good things, but people always see women VPs that are in HR.

V. CURRENT PROJECTS AND FUTURE INSIGHTS

What aspect of your current position at Caesars as the Executive Vice President of Public Policy and Corporate Responsibility do you find to be most rewarding?

Both of them. I really believe that corporations should use their collective voice to do good. We were the first to take a position on domestic partner

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benefits. We were the first to take a position on immigration reform. We've taken very strong positions on climate change — we have measurable goals and objectives that we edit and monitor on an ongoing basis. And the corporate social responsibility allows me to do a lot of the good things that you have an opportunity to do as the mayor of the city, the ability to give back or make peoples' lives better, or find a niche that really changes things for the better for the people that are living in your communities. You can do that with corporate social responsibility as well. We just gave our sixtieth Meals on Wheels van. We became one of their major partners almost twenty years ago. But we've used it to really make a significant difference. We funded the last study done on the incidence of senior hunger in America. So, we look to use data, and use that data to invest our community giving in a measurable way. We're really working on food waste now. If you show your operators how they can save money by not over preparing food — finding where that balance is — and when you do over prepare, what you can do to get it to Three Square. Anything that keeps it out of landfills. We've done a lot of work on that. We've also done a lot of work on carbon footprint offsets — we have goals for water reduction and on energy consumption. We even have cage free eggs.

We're finally doing what I think is innovative work on human trafficking training for our security. Because, you know, a lot of it is an unconscious bias that people do not even know that they have. And it's not just in men, often times it's in women, as well. That unconscious bias can cause you to make choices, which could be wrong choices, on a belief that may or may not be true. And what you find with a lot of security guards is that they really believed that prostitution is a victimless crime — in almost all circumstances you have a willing seller and a willing buyer — and that's just not the case anymore. A lot of these girls are being trafficked. Terrible things are happening, and they don't see a way out. And even if they can simply stop the sale, before they may have just looked the other way. I've been doing a lot of work at the Clayman Institute — the Clayman Institute is at Stanford and was funded by the tech industry. So, they gave a whole bunch of money to Stanford, which set up the Clayman Institute that has two purposes: one, to amass all of the data on women and return on business, and the second, to study work cultures. And how you begin to change and adapt work cultures, so more women feel comfortable. However, it's interesting, the women most likely to leave a company aren't women with children, it's women without children. So, all of these beliefs are just not the case.

What do you envision for Las Vegas' future?

I think it'll continue to evolve and expand. I think it's always going to be a city about entertainment. It's just that the entertainment that is available will evolve, change, and grow because consumers evolve, change, and grow. I think what's unique about Las Vegas is that if you look at where it has been from the

early 1980s until now — it's the same city, but it's a very different city. It has the same spirit, and it has the same energy. It has the same sense of fun — but the variety of experience and product and entertainment options have changed dramatically. I think that will continue. And I think that eventually, Downtown Las Vegas and the Strip will become one entertainment district.