

Atlantic City's Rebirth

An Interview with The Honorable Robert W. Levy Sr.,
Mayor of Atlantic City, New Jersey



The Honorable Robert W. Levy

EDITORS' NOTE A native of Atlantic City, Robert Levy attended local public schools and began his career in public service in 1960 as an Atlantic City lifeguard. In 1964, he enlisted in the United States Army and served multiple tours in Vietnam as a Sergeant and was awarded two Bronze Stars. He later headed U.S. Army recruiting for Atlantic City before becoming the Professional Development Officer for Army Recruitment in Eastern New Jersey. After retiring from the Army as a First Sergeant in 1984, Levy returned to the Atlantic City Beach Patrol and was soon appointed to Captain with administrative duties. In 1986, he became the Superintendent and Chief of the Atlantic City Beach Patrol and served as the City's Emergency Management Coordinator from 1990 to 2003. In 1998, Levy headed the new Department of Emergency Services, which incorporated the Office of Emergency Management, the Communications Dispatch 911 Center, and the Beach Patrol. He was elected Mayor of Atlantic City in 2005.

There have been so many changes in Atlantic City recently, almost a complete rebirth. Do you feel that the message has gotten out?

Very much so. There are many positive, dramatic changes happening here and I think people are now realizing that we're not just a daytrip city, where you come down on a bus and get a roll of quarters.

How much of a focus has there been on security during your time as Mayor?

I've been concentrating on that a lot. We received a Department of Transportation grant to put cameras on all of Atlantic and Pacific Avenues. I've also applied for some other grants, to be able to put cameras in some other high crime areas as well. Eventually, we'd like to blanket the entire city, and we're looking forward to assisting our police officers in that way.

In terms of the private sector, how important has it been for you to build strong relationships with business leaders? And have you been satisfied with the private sector's reception of your efforts?

Yes. I've had great interactions with the private sector. I try to stay current on their needs, which is why I regularly attend gaming conventions both domestically and internationally. So much construction is happening with the Borgata, Harrah's, and The Trump Taj Mahal, and all these new multimillion dollar towers are going to add a lot of money to the tax rolls. Phase II of the Walk, which is the retail side, has been a huge success. So the infrastructure is being created for a very successful, modern city and that requires a strong partnership between the public and private sectors.

We have a lot of young people coming to Atlantic City, especially from New York. We're working on getting a direct train route, so that people can take it directly from New York and enjoy themselves. That is one of the big ways the public sector can really help the private sector.

What types of initiatives have you developed to improve the education system?

Our school board is elected, and has a great deal of autonomy. I try to influence them as much as possible. Our push lately has been inside the high schools and the community colleges to create programs focused around the hospitality industry. There are going to be a lot of jobs opening up, and we are hoping that the hotels and casinos will recruit locally.

What is it like for you to attract top talent at the city level? Are you finding that young people are excited about the possibility of entering local politics?

I think people are excited. Politics is a tough business. You open up your life to intense scrutiny and the campaigning is brutal. Like many cities, we have had politicians here who have been indicted, which makes young people skeptical of the system.

The gaming industry has always been controversial. People associate it with crime and other negatives. But it employs so many people and brings in much money. Do you think the industry is doing a good job of marketing the positives?

I think so. I think most people know that the gaming industry in Atlantic City is extremely clean. There was a fear, when gaming first came here, that the mob was going to be coming in. And because of that, some of our rules and regulations were overly restrictive. Now most restrictions have been loosened, and that's made us successful. Our Casino Control Commission and the Division of Gaming Enforcement have done an outstanding job. We haven't had any incidents of crime creeping into the casinos.

Have you always been interested in politics?

No. To tell you the truth, I was going to retire at the end of 2005. When people were encouraging me to run, it was tough convincing my wife, because it is a completely different life. My hours are ridiculous. You know, everybody wants you all the time for this ceremony, that ceremony. And at the same time you have a city to run. So, it is challenging. Fortunately, I have an excellent staff. And it can be a lot of fun.

If one was talking to people who have worked with you for a long time, without you in the room, and I asked what it was like to work both with and for Mayor Levy, what do you think they'd say?

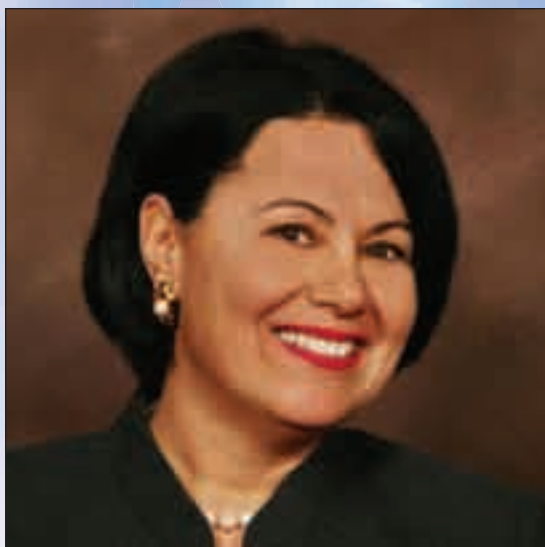
Well, I think they would say that I'm a fair man. I do demand action, and I do demand results. I have my own leadership style, but I'm certainly not a yeller. I like to sit down and hash things out and I like to get other people's points of view, not just my point of view. But once the decision has been made, then everybody needs to jump onboard.

You touched on the time pressures of your job. Do you ever get to turn off your cell phone and e-mail? And can you ever really get away from the job?

No. Our motto is "Atlantic City, always turned on." It is undoubtedly a 24-hour town. I guess when I close my eyes and sleep I can turn it off, but there are many nights when I don't sleep, wondering how I'm going to solve this problem or that problem. There's always something going on. And when you think you are going to have a quiet weekend, something always pops up. ●

Fulfilling Promises

An Interview with Rosalind Krause,
General Manager, Trump Taj Mahal



Rosalind Krause

EDITORS' NOTE *With 29 years of gaming industry experience, Rosalind Krause has served in senior positions at hotel-casinos in both Atlantic City and Las Vegas. She most recently served as Assistant General Manager of Paris Las Vegas and Senior Vice President of Casino Services at Caesar's Palace in Las Vegas. She began her career working as a baccarat, blackjack, craps, and roulette dealer in Atlantic City. Active in numerous charitable endeavors, Krause was a nominee for South Jersey Business Woman of the Year in 2006.*

COMPANY BRIEF *Opened in April 1990, the Trump Taj Mahal (www.trumptaj.com), situated on the famed boardwalk in Atlantic City, New Jersey, is home to one of the world's largest casinos and 1,250 guest rooms, including 237 suites. The hotel-casino also boasts nine restaurants and 140,000 square feet of convention and exhibit space, including 22 meeting rooms and three ballrooms – the largest of which measures 30,000 square feet.*

What changes are currently underway at the Trump Taj Mahal?

Right now we are focusing on the guest experience and what really impacts the customer the most. We are in the process of completing Spice Road, which is the gateway into the property from the transportation center, which is a mixture of shopping and restaurant space. We have a lot going on, from the complete renovation of

the casino floor to the refurbishment of the tower, which we are equipping with flat screen TVs, new furnishings, new linens, and award-winning mattresses. Plus, we have added \$6 million in new slot product in the last few months.

How important is entertainment to a property like the Taj?

It is a critical piece of the puzzle. I believe it needs to be the right entertainer that will attract the customers we are competing for. I do also believe we can introduce new customers to our property through quality entertainment. It's a part of the entire experience.

How broad is your target market? And how do you cater to your very high-end clientele?

Because of the size of our property, we have a very broad focus. We have the capability to do anything from retail and cash rooms, which we offer seven days a week, up through the very high-end. Right now we are renovating seven two-bedroom penthouses located on the 51st floor, which are magnificent and will be some of the most luxurious rooms in the city. Our new tower will include high-end suites as well, but it's the penthouses that will set us apart from the competition. There are currently only two heliports in Atlantic City and they are located at the Marina and the Taj. So we can accommodate customers from the tri-state area who want to be at the Taj in less than one hour. But we span the whole gamut in terms of offerings for our customers. This spring we are introducing our new loyalty program for all Trump properties.

There are three Trump properties in Atlantic City. Is there much coordination between the properties?

All three properties offer a different experience, but we do work very closely together. Once we roll out our new loyalty program, it'll tie the three properties much closer together for a seamless experience.

What is your strategy to attract more convention business?

We're focusing heavily on that in 2008. We just hired a tri-property Vice President of Convention Sales. His primary focus is on new convention business. Our new tower will be completed in August 2008, which will allow us to expand our markets and concentrate on the convention business. We're very fortunate to have the Mark Etess Arena for additional space, which enables us to accommodate very large conventions very well. We currently have

140,000 square feet of meeting space. We are researching the possibility of additional space in the near future.

With all the new technology being implemented in the hospitality industry today, how do you keep a close personal connection to your guests?

We continue to focus on the preferences of our customers through new technology. The more information you gather, the better the experience you can provide them with.

How successful have you been at recruiting enough talented employees to your property?

I've been here for approximately 18 months and I am still receiving calls from highly talented individuals who are seeking employment at the Taj. I'm very pleased with the team we have assembled. We have retained a broad spectrum of experience from all over the country. They can provide a different perspective on our gaming operation. I think we've got one of the best teams in gaming today.

In terms of public perception, is there enough awareness of Atlantic City's increasing sophistication?

Atlantic City is faced with increased competition right in our backyard. I believe that the properties now are more driven to communicate what Atlantic City has to offer.

You joined this hotel at a pivotal time. Has it been everything you expected?

One of the most rewarding aspects of what I do is being able to implement change and move a property forward, both for the employees and the customers. There hasn't been change here in many years, but we decided that we were not going to accept the status quo. We believed that there was more out there – a renovated property and an improved overall experience for our guests. And now that's underway. Promises that were made in the past are really coming to fruition. When I moved from Las Vegas to Atlantic City, I knew that we had an enormous project ahead of us. But, of course, to do anything right takes time. We are very anxious for these projects to reach completion, and to be able to advertise all of the wonderful new venues at the Trump Taj Mahal. We continue to evolve. This is a pivotal time for Atlantic City, a time to grow and to build on what we've started. And I'm very fortunate to be a part of it. Next year we will be celebrating our 30th anniversary for gaming in Atlantic City. ●

Atlantic City

Taking Pages from the Vegas Playbook

An Interview with Dan Nita,
Senior Vice President & General Manager, Caesars Atlantic City



Dan Nita

EDITORS' NOTE Dan Nita graduated magna cum laude from Clemson University, has an MBA from New York University, and has studied abroad at Oxford University. A longtime veteran of the hospitality industry, he worked at the Walt Disney World Company before joining Harrah's Corporate Strategic Planning department in 1995. He then moved to Harrah's Atlantic City as the Manager, then Director of Planning and Analysis, where he received the company's highest honor, the Chairman's Award. In 1999, he returned to the corporate office, this time as Vice President of Finance, and oversaw several mergers and acquisitions, including the acquisition of Players International and Harveys Casinos. Most recently, Nita was Senior Vice President and General Manager at Harrah's New Orleans where he received the Corporate Excellence Award for his efforts leading the property through the Hurricane Katrina devastation. Nita has been in his current post since 2005.

COMPANY BRIEF Harrah's Entertainment, Inc. is the world's largest provider of branded casino entertainment through operating subsidiaries. Since its beginning in Reno, Nevada, nearly 70 years ago, Harrah's (www.harrah.com) has grown through development of new properties, expansions, and acquisitions, and now owns or manages casinos on four continents. The company's properties operate primarily under the Harrah's, Caesars, and Horseshoe

brand names; Harrah's also owns the London Clubs International family of casinos. Harrah's Caesars Atlantic City Hotel and Casino has over 4,000 employees and generates \$550 million in revenue annually.

What has been the outcome of the recent merger between Harrah's and Caesars?

The merger was fueled by Harrah's desire to be the premier brand within the gaming industry, as well as the opportunity to have a flagship property in both Las Vegas and Atlantic City. In Atlantic City, in the past 15 months, we've been spending a substantial amount of time reinvigorating the Caesars property that is nearly 30 years old. We started on the path with nearly \$300 million in renovations and improvements, including a new casino floor, a best-in-market private Player's Lounge, the development of a new Asian table game area, and a worldclass shopping and entertainment offering, the Pier Shops at Caesars. We're also hoping to spend a couple of billion dollars on the boardwalk, further enhancing our offering through additional hotel towers and increased capacity.

There are a number of popular hotels on the Boardwalk in Atlantic City. Is it difficult for you to differentiate in this market?

Over the last several years, we've been trying to take certain pages from the Las Vegas playbook. Vegas has a tremendous variety of offerings, not purely slot machines and table games, but world-class chefs, and many other great non-gaming amenities. With 25 percent of the U.S. population within driving distance of Atlantic City, our properties have historically been able to do well with just gaming, but new competition has forced us to do more. New competition opened in the market skewing to a younger clientele, with a broader array of gaming and non-gaming amenities and we're doing the same thing at Caesars.

What are the current food offerings at Caesars, and are there plans for expansion in that department?

Part of the the Atlantic City renaissance revolves around great restaurants and celebrity chefs. We now have world-renown names like George Perrier and Stephen Starr out of Philadelphia. When you say you're building two brand new Stephen Starr restaurants at your hotel, it gives you credibility.

What have you done in the way of spa and fitness offerings?

Each hotel has a slightly different clientele, so the offerings differ a bit. Harrah's in Atlantic City caters to VIPs and skews more to females, so it opened an Elizabeth Arden Red Door Spa with 24 treatment rooms. Here at Caesars we are going thorough a pretty extensive master plan exercise. Part of that will include a world-class spa similar to what we just opened at Caesars Palace in Las Vegas.

Has the Internet changed the way you receive reservations, or do people still like to call in and talk to someone?

From the VIP standpoint, we spend a lot of time personally reaching out to guests to set up their entire hotel stay, including restaurant reservations, show tickets, private parties, and everything else. I think that will continue. But the Internet is increasingly popular as a reservations vehicle for less frequent visitors.

Is there still a big challenge in combating all the negative stereotypes about the gaming industry?

From a customer standpoint, I think there's greater awareness today of what casinos offer in terms of jobs and the economy. Most of that was the result of the proliferation of gaming into different states throughout the course of the '90s and early in this decade. Historically, a customer who lived in St. Louis didn't have any exposure to casinos. Now, because they've got a casino in their backyard, they see that it's a great source of quick, nightly entertainment. They play at their local Harrah's, and then are able to use their Reward Credits to go to see Celine Dion at Caesars Palace in Las Vegas, or come and shop at the Pier Shops at Caesars in Atlantic City.

Must today's general manager be more of a generalist?

As a company we make sure that whoever becomes a General Manager has had a variety of functional experiences, and a variety of market experiences. I've been at this company for 12 years and I've been in five different markets and in different functional roles, from finance to operations. As I look at my calendar on any given day, I go from a big-picture, strategic-development, master-planning meeting, to a discussion on the financial results of the previous month, to a discussion with front line employees about uniform selection, to an individual customer that has an issue with his marketing collateral. So the ability to be a generalist I think is very much a part of the job. ●