quarter slot and after putting in only $10.00 (only $10.00?) hit four 7's for a nice $47,258!

John Goodman, a business finance major at Phoenix Community College dreamed of becoming a millionaire by the time he reached age 35. At age 23, he made a "spur of the moment" trip to Las Vegas with a friend to gamble for about five hours. The two were playing side by side on the 19-machine Maximus Millions slot carousel at Caesars Palace. He heard bells ring but didn't notice the five 7's lined up on the third coin pay line. He had never played a slot machine before. (He never played a slot machine before?) John put more money in and pulled the handle again but nothing happened. (ALWAYS CHECK ALL PAY LINES BEFORE AND AFTER YOU PULL THE HANDLE. IF YOUR MACHINE DOES NOT LOCK UP AND YOU PULL THE HANDLE BEFORE YOUR JACKPOT CAN BE VERIFIED AND PAID, **YOU LOSE.**) "I thought it was broken," he said. His friend leaned over, pointed to the five 7's and told him he had won. The jackpot was $1,077,777. Goodman had played the machine for two or three hours, investing $150 before he won.

Wearing blue jeans, tennis shoes and a slightly wrinkled tee shirt, Goodman had borrowed $100 from his friend because he had no money of his own to gamble with. Together with the minor payouts, most of the cash was almost gone, and he was reluctantly considering whether or not to negotiate another loan from his friend when he scored.

Later, Caesars officials treated Goodman and his friend to a dinner of barbeque ribs, shrimp and Dom Perignon champagne. Major Garrett, of the Las Vegas Review-Journal, reported Goodman as saying, "I remember it but

couldn't taste anything. If it had all been wood, I wouldn't have noticed."

Incidentally, the machine Goodman was playing was number 5114. The address where Goodman worked as a bookkeeper was 5114 N. 27th Ave. Add the digits in 5114. Elevens seem to go with sevens in the gambling industry. The jackpot was set to end in five sevens, to match the symbols that were necessary to hit it. Goodman didn't even notice the number of the machine he was playing, so it wasn't a matter of superstition in his case. He may become superstitious though after that coincidence. When he got back home, his friends probably called him "John Goodrich."

Goodman's win was the third $1 million plus jackpot at Caesars, Las Vegas. The first was for $1,065,358. The second was a record $2,599,552 hit by a Detroit housewife. She jumped up and down and hugged the machine. She had visited Caesars often with her husband, an automobile broker, and she always played the progressive dollar machines near the hotel entrance. On the day she hit the big one, she had invested less than $20.00. (Less than $20.00?) When she arrived for the awards ceremony the next day, she was wearing her new black mink coat, bought with part of her winnings.

Lorraine Page of California had been playing for several hours but only about three minutes on the "Million Dollar Baby" machine at Caesars Palace before lining up the four triple bars for a progressive jackpot of $1,150,697. (Only three minutes?) She kept running out of coins and had to dip into her husband's tray for the three lucky coins that made her Caesars' fourth million-dollar-winner.

Caesars' "Million Dollar Baby" may be a problem child for the casino. It was hit by a newlywed woman just two

Diogenes
Exhibit 2016 - Page 044

months after it was "born," and it had not yet accumulated the million dollar "jackpot reserve." It had finally recovered from the first payout only to be hit again three years later for $2.59 million. Then five months later for $1.15 million. Is Caesars ahead or behind?

All four of these million dollar plus jackpots paid by Caesars were paid at once, in one lump sum, unlike the lotteries and some other progressive jackpots that are paid in installments by annuities.

More Winners

John Raney from Maryland was playing a million dollar progressive at the Golden Nugget in Atlantic City. The machine broke down and he asked a friend to "hold" it for him until it was fixed, while he played another machine. He hit the million on the "relief" machine. He has plenty to put away for a "Rainy Day."

Ann Drew of California played $9.00 at Harrah's Reno and "drew" a $73,000 jackpot.

Harold Sorkazian a native of Syria who lives in California, arrived at the Las Vegas Hilton to enter their slot tournament. Before checking into his room he decided to play awhile. He lost $26 in ten minutes but lined up four 7's to win $2,138,350. He had previously won $250,000 almost two years to the day but said he lost it all back in the slots over an eleven-month period.

Three race horse symbols lined up on a progressive dollar machine for a $93,463 jackpot for Frieda Schusteritsch of New York after playing seven or eight minutes at the Frontier, Las Vegas. (Seven or eight minutes?) She was playing one machine with only an occasional pull on the machine next to it, trying to kill about two hours before her plane left. About the sixth occasional pull made her day.

A Michigan grandmother, Norma Harrison, played only six quarters at the Imperial Palace Hotel and Casino and went home with $33,442. (Only six quarters?) She visits Las Vegas annually. Now she can afford first class!

Richard and Micki McKinnon played a quarter progressive at Bally's Reno. Starting with only a handful of quarters, they filled their pockets with $159,405 and the keys to a Porsche 944 besides. (Spare me!)

Wayne Grimsley from California was anything but "grim" after winning $100,000 cash on a machine at Circus Circus, Las Vegas. Bet he "grinned" all the way to the bank.

Margie Johnson of New Jersey is a triple winner in two years at Harrah's Marina in Atlantic City. She hit $616,866. Later, she won $155,629 and a month later won $108,381. Margie was quoted in Lottery Player Magazine, "I'm not a degenerate gambler. It relaxes me. When I go to a casino, I don't think about my troubles. Some people go to psychiatrists. Some people take drugs. I go to the slots." (No wonder!)

A San Francisco school teacher who chose to remain anonymous hit a world's record jackpot of $3,041,864.40 at Harrah's Hotel-Casino in Stateline (Lake Tahoe), Nevada. "It's a fantasy, a dream. I came up here a hundredaire and I'm going home a millionaire." (How cute!)

Harriet Peterson, from New Jersey, invested $20 and won $200,000 at the Sands Atlantic City on the 4th of July, a nice day to become financially independent.

At Trump Plaza Atlantic City, Julio Fiorillo, a New Jersey bookkeeper, was waiting to be paid a small jackpot

Diogenes
Exhibit 2016 - Page 045

by an attendant and decided to play another machine. She hit $487,034 on the second machine.

A court reporter from California found her favorite machine at the Flamingo Hilton being played by someone else. So she played the machine next to it, slowly, hoping the other player would leave. She played $40.00 and lined up five sevens for the $250,000 Pot O'Gold.

Virginia Myers of Los Angeles hit a dollar machine at the Mint for $82,000 after playing only a few minutes. (Not again!)

Gregory Tavares hit a $140,000 jackpot at Harrah's Tahoe. Four months later he hit a dollar slot for $102,604, also at Harrah's.

At the Reno Hilton, Gerry Jones from California played the rainbow carousel and hit $250,000. Also, at the Reno Hilton, Eleanor Logsdon hit the $195,000 and qualified for their annual Championship Pot O'Gold Slot Tournament.

At the Claridge in Atlantic City, a young grandmother, who was ready to go home, stopped long enough to play $7.00 worth of quarters (Oh no!) and won a progressive jackpot of $161,778.00. She didn't get home that night because the hotel management treated her and her friends to deluxe overnight accommodations.

Rocco Dinubilo, a California raisin grower, hit a record jackpot of $2.47 million at Harrah's Tahoe. He had been playing blackjack earlier, but started playing the $1 progressive at about 2:00 a.m. At about 4:30 a.m. he hit $250 and a few minutes later lined up four triple bars for the big one. Gaming Control Board agents spent more than five hours examining the machine before pronouncing the jackpot legitimate. They were extremely cautious because the machine was on the same carousel as the $1.7 million

rigged jackpot hit a few months before.

Rocco said he expected the close scrutiny by the gaming officials but knew they would find nothing wrong because he knows nothing about the machine's mechanics. "All I know is you pull the handle." Dinubilo told reporters he had read about the jackpot at home and told his friends he was "going to go get it." Queried as to how he felt about the big bite the IRS would take, he replied, "I'd be satisified with half of it."

Phillip Reszutek invested only $5.00 before winning $127,000 on a quarter progressive at the Hacienda. Taking a four-day respite from the cold climate of Minnesota, the Reszuteks were down about $500 before lining up the five seven's on the third line. They decided to take home new pairs of jeans to their two teenage sons instead of just tee shirts as originally planned. (Our guess is the kids would rather have some of the cash!)

Paul Maxwell of Utah attended a hunting show in Las Vegas and afterwards hit the Las Vegas Hilton's "Pot O'Gold" progressive for $250,000. He had played only $3.00.

Scott Milburn of Nevada, an electronic technician, hit a slot jackpot of $921,686 and "his and hers" Dodge automobiles at the former MGM Grand in Reno. He had invested $12,000 over an eight-month period. The day he won he had played $600 into a progressive dollar machine in the "Stairway to the Stars" carousel.

Milt and Sheila Fawcett and family from Canada were on their way to Disneyland when their mobile home broke down. While waiting for repairs, they played the slots at the Desert Inn in Las Vegas and hit a jackpot for $35,000.

Pat Mason of Florida won more than a million dollars on a three-reel dollar progressive at the Frontier Casino

Diogenes
Exhibit 2016 - Page 046

in Las Vegas. She will receive $50,000 per year for 20 years.

A group of players from Pennsylvania pooled their money for a recent gambling trip, each contributing $20 to the bankroll. Several of them played together at the Tropicana in Atlantic City and hit $341,241 in jackpots! Each received approximately $20,000 for his $20 investment. That's a hundred to one return. Not bad!

Let us give you a word of warning though. IF YOU ENTER SUCH A POOL WITH YOUR FRIENDS OR OTHERS, GET A CONTRACT IN WRITING AS TO HOW THE PROCEEDS ARE TO BE DIVIDED. Consider this: A young girl and a friend were playing three slot machines together at Harrah's Marina in Atlantic City. The girl's boyfriend and another fellow joined them, and all four were playing with the accumulated winnings. The girl left for a few minutes to arrange a breakfast for the group. She heard a commotion at the machines and learned that a member of her "team" had hit the $327,296 jackpot.

The lucky player refused to split the money. The girl sued. Eventually, a court ruled that the pooling of money "demonstrated an intent to make the winnings available to each other with the result that neither party could properly take possession of the funds to the exclusion of the other." A three judge panel in the Appellate Division of the Superior Court upheld the decision of the lower court and granted part of the jackpot to the young lady. SO, DON'T PUT YOURSELF THROUGH A LAWSUIT. GET AN AGREEMENT UP FRONT IN WRITING!

The first Pot-O-Gold winner at the Flamingo last year was Callie Mae Jingles, 66, of California. She won $250,000.00 after playing only five minutes. With a name like "Jingles," how could she lose. Callie said she would

buy a house so her twelve grandchildren would "have a yard to play in" when they visit.

The second Pot-O-Gold winner at the Flamingo was Isabel Beyer of Minnesota who went to Las Vegas to celebrate her birthday. She received a nice present of $147,098.50. She played the machine for about one hour (what took her so long?) and invested approximately $65.00.

The third Flamingo winner of a Pot-O-Gold jackpot was Verla Fletcher of New York with a tidy $139,956.70. In the ten years she and her husband had been visiting Vegas, Verla had never played progressive machines before but decided to do so after dreaming she had won a progressive jackpot. She had been playing only about 20 minutes when her dream came true.

On Mother's Day, Sara Gilliam and her mother Mary from Kentucky were playing the Pot-O-Gold slots at the Flamingo. But it was the daughter who hit the $250,000 jackpot and was the fourth winner on that special bank of machines.

Anthony Lattanzio, 68, hit a record jackpot of $925,000 on a quarter machine at the Claridge Casino-Hotel in Atlantic City. Shortly afterward, he received ten marriage proposals from patrons and employees of the hotel. A week earlier he had played the same machine and lost $150. On this trip his friends had warned him not to play the same machine again. Luckily he didn't listen.

Geraldine Hendrickson of Illinois, hit the million dollar progressive at Caesars in Atlantic City after losing $200 of her $240 stake. When she realized she had hit the jackpot she screamed, "I love Caesars! I love Caesars!" She was the third million dollar winner in two years.

An 80-year-old grandmother decided she would rather

Diogenes
Exhibit 2016 - Page 047

play slots than accompany her daughter and granddaughter to the beach. She won $400,000 at the New Jersey's Atlantis Casino Hotel.

The first million dollar slot machine jackpot in the world was hit by George Epp of Pleasantville, New Jersey, when he won $1,250,000 at the Golden Nugget in Atlantic City. With a win like that, anywhere he lived could be "Pleasantville."

Sheri Golfeder won $11,346 on a quarter progressive at Caesars Palace after only playing ten minutes. That's over $1100 per minute.

Pamela Cobb of Ohio was a double winner at the Holiday Casino on the Center Strip. She first won $500 on a quarter slot machine. A few days later after urging from her mother, she returned to the same machine and hit $16,000. (Always listen to your mother.)

At the Imperial Palace, Margaret Landas from California hit a nickel slot for $22,816.90. She planned to buy a car for her son. That's a healthy jackpot for a nickel machine.

At Sam's Town, Josephine Guidray from New Orleans won $9,905 on a dollar slot machine. She said she would share her winnings with her ten grandchildren and five great-grandchildren.

The record for the highest return for the smallest investment on a slot must be given to LeRoy Pfeiffer of Las Vegas. Pfeiffer invested only three nickels for one pull on a Sam's Town "Win A Million" nickel slot. He won $50,000 (one million nickels.)

A few years ago, the Las Vegas Hilton installed four $25 slot machines, each with a maximum jackpot of $15,000. The $25 tokens weigh one ounce and are pure silver. According to casino executives, in the first 30 hours of

operation they paid out almost $250,000. That's the equivalent of one major jackpot every one and three-quarter hours. According to Jeff Payne, Slot Manager, the Hilton now has nine in operation. They are single line, three coin multipliers requiring $75 per pull to win the maximum jackpot of $15,000.

Back in 1984, the only Las Vegas hotels featuring slot machines with million dollar or more jackpots were the Barbary Coast, Caesars Palace, Riviera and Vegas World on the Strip. In Glitter Gulch the hotels that offered million dollar plus jackpots were the Fremont, Golden Nugget, Lady Luck and Las Vegas Club.

Today, million dollar jackpots are common at most all of the giant hotel-casinos.

Sally Gamache of Minnesota played a three-coin half-dollar machine at Circus Circus, Las Vegas. After a $40 investment, she took home a $92,000 Rolls Royce sedan.

Jerry Oland of Indiana drove home a red Corvette from the Stardust Hotel. He invested $5.25 in a quarter slot machine while waiting for his wife to finish packing to go home and won within five minutes.

Thomas Alalmo from California dropped 3 coins in a Circus Circus slot and won a $75,000 Ferrari.

Yoshihiro Uetake of Honolulu invested $30 in a slot machine at the California Hotel and won a Cadillac Seville.

Mary Etta Postier of California won a flame-red Ferrari after putting only nine quarters in a slot machine at Circus Circus. That's $2.25 and three pulls of the handle for a car that is worth approximately $60,000.

Fred and Viola Smurtz of Oxtail, Montana played the $1,000,000 Super Jackpot machines at Bally's starting the minute they arrived on a Friday night. By Tuesday of the

Diogenes
Exhibit 2016 - Page 048

next week, Fred and Viola had amassed a big $1,523 loss! But on Wednesday their luck changed, and they only lost another two hundred dollars between them. They went home losers.

What's the matter with these two clods? Everyone else in this chapter were big winners! Actually, we just wanted to see if you're still paying attention. Hearing about all these big winners can get downright boring, but we have a point to make.

We could fill this entire book with winner upon winner. We could fill ten times, maybe 50 times the pages in this book with big winners and more big winners. And we could fill the New York City Telephone Directory with the names of loser upon loser. Add the Los Angeles Area Telephone Directory, the Cleveland Telephone Directory ...well, you get the picture.

There are so few winners in comparison to losers, but it always looks like a lot of winners because there are so many players. And it's always the winners who get the publicity. Fred and Viola are the only exceptions.

CHAPTER 5

Common Misconceptions

Is winning at slot machines purely a matter of luck? The answer is unequivocably "yes." But many slot players insist that they know how to beat the machines. You've probably heard dozens of theories from slot players that they consider to be "sure fire" ways to win. Or, perhaps, other books on slot playing have included rules that sound good and may have worked at one time or at one place or another. Maybe you have formulated your own system of play. Let's examine a few of the most common theories we have heard repeatedly from players and try to determine if they have any merit.

Diogenes
Exhibit 2016 - Page 049

MISCONCEPTION #1:

Play the machine nearest the door or on the aisle.

The reasoning behind this false idea is that casinos place higher payback percentage machines at high-traffic locations to give the impression that all the machines in the house have high payout percentages, which are commonly called "loose" slots. At one time this "bait and switch" routine may have been a common method of attracting the passing tourist. However, due to the current slot craze many casinos now enjoy the ideal situation—more players than machines. Many establishments have placed signs on the machines limiting one to a customer when other players are waiting, especially with video poker machines.

If there is any good reason to place the higher percentage machines on the aisles, we might wildly speculate that it's to give a slight edge to handicapped players in wheel chairs or those who must carry oxygen tanks and who have difficulty playing the "inside" machines that are so close together. However, we are probably giving the casinos more credit for compassion and generosity than they deserve. Realistically, the best reason to play the "end" machine is for your own comfort, i.e. you're not crowded by players on both sides. If these slots frequently pay more, it's probably because many people believe this theory and, consequently, the machines receive more play, thereby increasing the likelihood of the machine going through a "pay cycle." *Players think casinos are willing to lose on a few machines and make it up on the non-paying "sucker" machines. Not true! If any machine fails to hold its required percentage for the casino, it will be taken out of play or undergo a major inspection and overhaul by their mechanics or the manufacturer.*

MISCONCEPTION #2:

"Cold" Coins or "Fresh" Coins versus "Hot" Coins or "Used" Coins.

"I always play only with coins I have purchased; I never play the coins that come from the machine."

"Fresh coins, cold from the roll, will fool the machine into paying. Hot coins tell the machine it has already paid me, so it's time to clam up."

"If the coins coming out of the machine are cold, leave it. It's a cold machine."

"If the coins the machine pays are hot, play it, it's a hot machine."

"I touch the glass on the front of the machine. If it's hot, I play it; if it's cold, I don't."

These remarks or variations meaning the same thing were frequently heard from players interviewed. None are valid theories. Neither hot nor cold coins have any influence on the machine. The only possible difference the temperature of the coins could make is in the ease with which they move through the coin acceptor. Even then the minute difference due to cold contraction or heat expansion has no bearing on the operation of the machine. If coins get jammed in the acceptor, it's usually because the coins are nicked, bent or smashed out of shape, or there is damage to the acceptor itself. Such damage often occurs from players pushing other objects such as nail files or knife blades down the slot to release jammed coins.

The only reason coins come out of some machines hotter than from others is due to the proximity of the coin "hopper" to the electric lights or other electrical components in the machine and the length of time they have been sitting in the hopper near these heat producers. Some machines have hoppers closer to the lights or other heat

Diogenes
Exhibit 2016 - Page 050

generating components, some machines have more lights or higher wattage bulbs, or incandescent bulbs instead of fluorescent bulbs. For instance, a machine with the new stepper motor driving the reels will have more heat generated within the cabinet than one with the non-stepper motor. Also, a machine's cold glass is due to the number and type of light bulbs near the glass. There is absolutely no such thing as a literally "hot" or "cold" machine influencing the amount of payout. There could be a psychological influence on the player's attitude. Perhaps you don't like the feel of the hot coins. In that case, leave them in the tray awhile and they'll cool off or better yet, cash them in as advised in our section on money management.

MISCONCEPTION #3:

"I've put so much money in it, it has to be ready to hit."

We've heard this statement so many times that if numbers counted we'd begin to believe it. The truth is that there is no certainty that putting large amounts of money into a machine will make it pay. The random factor built into the programs is designed to eliminate any guarantee of a machine paying or not paying after a certain number of plays. Even though in the long term of weeks and months the percentage factor will average out, the pay cycle may not come around daily or weekly or at any other predictable time.

Further, there is no guaranteed length of a pay cycle which will include the large jackpot. *A given machine may pay out small amounts frequently and not hit the big one for months or even years. It's possible to do so and still hold its percentage.* Another machine may pay large amounts consistently for several hours or even days and the casino may have to refill the hopper several times

before it goes into its non-pay cycle often referred to as a "cold streak." We use the word "cycle" loosely here since there is really no guarantee of a machine having any actual "cycle" or pattern of play or pay. See the section on how machines work for further explanation of "cycles."

You've heard the old saying, "Being in the right place at the right time." That's about what trying to predict when a machine is ready to hit boils down to.

MISCONCEPTION #4:

Watch for someone who has put a lot of money in a machine without winning. Play it; it should be ready to hit.

This theory is just a variation of the previous one and the explanation of its validity is the same. Again, let us emphasize: *The length of time or the amount of money played in a machine without its paying has no bearing on its readiness to pay.* It makes no difference whether you or someone else is playing. The machine is no respecter of persons. It doesn't know a lucky player from an unlucky one. It doesn't "care" or "know" how much you have played or paid. The machine is. . . after all, just a machine. Although the meters in the machine record the coins in and coins out, these meters have no influence on the random number generator that determines when the winning combinations are going to be displayed. Every time you're tempted to follow such bad advice, turn to the chapter on odds and percentages and how the machines work and reread it.

MISCONCEPTION #5:

Casinos tighten or loosen the slots by flipping a switch or tightening a screw.

This common complaint by players is often related with

Diogenes
Exhibit 2016 - Page 051

the "time" of play. Some players believe they tighten the machines in the day time and loosen them at night, or vice versa. Or they change them on weekends or holidays or during tourist season.

The technology exists to remotely control machines and to change percentages by "flipping a switch," to use the common terminology. However, the Gaming Control Board prohibits the use of such technology.

Although casinos may have their own personnel with the capability to change the payout percentage, it would not be economical for them to change the percentage daily, or even weekly or monthly. When hundreds of machines are on the floor, only a few could be changed at one time. According to John Stroup of the Flamingo Hilton, casinos obtain a manufacturer's license so that they are permitted to change the percentages, but they usually do not do so themselves. It's more cost effective to decide what their requirements are and let the manufacturer make the changes.

Most machines contain only one percentage program. A "chip" providing multiple percentages which can be changed by literally "turning it" is available, but the Gaming Control Board does not authorize its use. Changing the percentage in the microprocessor controlled machine is usually a matter of substituting a computer chip and changing the pay table on the glass. The new computer chip would change the number of coins paid for the given symbols on a video poker machine and the theoretical number of "reel" stops on a video slot machine. For instance, the IGT video poker Jokers Wild machine originally paid 20 coins for each coin played for a line-up of four-of-a-kind. Now, at most casinos, the payout has been

reduced from 20 to 15 for four-of-a-kind, but all other payouts remain the same.

MISCONCEPTION #6:

If a machine is not paying, don't play the maximum number of coins. Drop down and then increase to the maximum when it starts to pay.

The idea behind this theory is that you'll save money "priming" the machine for the big jackpot. Again, the number of coins played has absolutely no effect on determining when or what type of winning symbols will appear on the machine.

One mathematical "genius" was sure he had a system of play that would assure a greater return for fewer coins played. His system was based on the Fibonacci sequence (1, 2, 3, 5, 8, 13, 21, etc.) For you non-mathematicians, Leonardo of Pisa, or Leonardo Fibonacci, the greatest European mathematician before the Renaissance, originated the sequence in 1202 as an exercise in addition. As you can see, each number in the sequence is the sum of the previous two numbers. This slot player determined the number of coins to play based on that sequence.

For instance, on the first, second and third pulls he would play the maximum number since each of the combinations in the sequence was supposed to be a winner. On the fourth pull he would only play one coin. On the fifth pull, the next number in the sequence, he played the maximum coins. On the sixth and seventh pulls he played only one coin. On the eighth, thirteenth and twenty-first pulls he played the maximum coins. On all other pulls he played the minimum. He was sure that he would hit the big jackpot on one of the sequential numbers. He followed this system until the sequential numbers reached 21 and then

Diogenes
Exhibit 2016 - Page 052

started over since that number is so common in gaming and stretching the "theory" to 34 would be taking a "long shot." He claimed that the significant payouts usually occurred on the "right" numbers in the sequence.

We were fascinated and watched through several "rounds" of his system. He hit plums and oranges on a couple of "sequential" numbers and several cherries when he had only one coin in. Then he hit the big jackpot combination — with one coin in! Was he embarrassed! But he was not completely swayed from his theory. He rationalized the failure by saying he forgot to "purge" the machine of the previous player's patterns by playing the maximum coins for five or ten times first, to set it up for a "clean" Fibonacci sequence. Unfortunately for him, Fibonacci never programmed slot machines.

This is probably a good place to issue a warning about "systems" of slot playing. *No one has ever written a good "system," although many are advertised as "sure-fire" winning methods of play. Think about it! If anyone had such a system, he would be foolish to advertise it.* Those charletans selling "systems" are getting rich by marketing their theories, not by implementing them.

MISCONCEPTION #7:
If a floorman or mechanic opens your machine for any reason, it will stop paying.

This common complaint by players is unfounded. Floormen who open a machine to correct a "coin-in, time out" problem or to refill the machine when the hopper is empty, do not "flip a switch" to change the pay cycle or otherwise influence the program. They correct the problem with the coin acceptor or fill the hopper and then hit the "reset" button so that the machine can resume play. If

there is any marked change in the pattern of payout, it could have occurred whether the machine had been opened or not. Although the interruption of your playing and any particular rhythm of play you had because the machine needed servicing might seem to cause a change in the pay cycle, that is not the case. *Since the Random Number Generator never stops, the appearance of a set of winning symbols or losing set of symbols has no direct correlation to the interruption of play, the opening of the machine, or the length of time between plays.* You could hit the big jackpot or go for a long time without hitting anything else. Some machines have even been known to repeat the big jackpot on the first or second play afterward.

Incidentally, it's a good idea to play off a jackpot because the odds of it repeating are the same as when you hit it the first time. If the machine pays the full amount of the jackpot, investing the maximum number of coins won't break you. Don't play a single coin on a multiple coin machine to "save" two or three coins, thinking it will probably not repeat. If it does repeat and you don't have the winning line lit or the maximum played for the bonus, you'll probably kick yourself all the way home.

If a player leaves a machine without playing off the jackpot, a floorman or other authorized casino employee will usually open the machine, take out a coin and play it off. Most players will avoid a machine showing a jackpot. So play off the jackpot, if for no other reason than courtesy. Also, depending on the type of machine, the playoff might give you a small return for your money. If a jackpot is paid by an attendent, you may be asked to play off the jackpot before you are paid. If you are out of change or refuse to do so, they'll pay you and then they

Diogenes
Exhibit 2016 - Page 053

may play it off. But if they play and it "repeats" and you don't get paid for the second jackpot, don't complain.

MISCONCEPTION #8:
The higher the denomination of the machine, the higher the payout.

Not true, especially with large progressive jackpots. All machines are programmed with a set theoretical percentage.

Although the percentage of hold for the casino may be less for the higher value machines, the random factor in all of them is still the over-riding one. You probably won't play a single machine long enough to receive the total theoretical payout percentage. Nor should you try to. Ideally, you will catch it at the "right" time and play it only while it is paying off.

MISCONCEPTION #9:
If you win on nickels, move up to quarter machines. If you win on quarters, move up to halves or dollars.

This advice could ruin you. If you hit a royal flush for $200 on a nickel machine, or a $50 jackpot on a nickel slot, don't be tempted to "move up" to bigger and better wins unless you are prepared to handle the additional risk.

Remember that you can lose five times as much money on quarters in the same amount of time, ten times as much on halves and twenty times as much on dollars. Although the possible win is usually proportionate to the investment, it is certainly not guaranteed.

We have found that most players have a favorite denomination that is most comfortable for them or suits their entertainment budget. They play that type about 90 percent of the time with only an occasional experiment with higher denominations.

Quarter machines are by far the most popular throughout all casinos. The Las Vegas Sun stated that quarter machines accounted for 23% of Nevada's gambling take in a recent year and dollars accounted for 21%. Nickel machines and dollar machines rate almost equally in popularity, with fifty-cent machines rating third. Higher denomination types are limited and found mostly in the giant casino-hotels.

Experiment with all types first, within your means, and then settle down to the type that you feel comfortable playing, without a feeling of pressure that you have to win or else.

Diogenes
Exhibit 2016 - Page 054

CHAPTER 6

Money Management

Do you have a household budget? Do you set aside a certain amount of your income for food, rent, utilities, automobile expenses, clothing, children's allowances, school expenses, and so on? If so, this part of money management should be easy for you. If you don't have a "budget" with a specific amount designated "entertainment," pay close attention! It's important.

We're going to outline some basic steps to try to keep you from going broke too soon.

Setting Limits

1. When you decide to go out to gamble, decide *before you leave home or your hotel room* how much you are going to take to spend for the evening, the day, the weekend, or period of time you plan to be gone.

2. Figure what the costs of the food, transportation, and other activities will be on your "trip," and put that amount in one pocket or section of your purse or wallet. *No matter what happens, don't dip into that pocket for "slot" money!*

3. Put the amount that's left in your "slot" pocket, that is, the section reserved for your gambling. If you're on vacation for a week, or more, try to plan each day's activities and "budget" your money accordingly. Keep only *one day's budget* in the "slot" pocket at a time, so you won't blow it all the first day and be tempted to spend funds reserved for other necessities and then have to cut the evening's entertainment or vacation short.

4. Next, let's assume you have read the entire book, know exactly where and what kind of slots you want to play, and have arrived at the casino. A good idea before you buy any change is to have a time limit in mind and a positive attitude that your money will "last" that long. Actually that statement may sound negative, but remember the objective is to win but at the same time realize that you may also lose.

Now, buy only enough change to last, say, for an hour. For example, if you plan to stay four hours playing quarter video poker and your stake for the session is $100, buy only $20 or $25 in change to start. Pick your machine and play.

5. *Don't play back any coins that drop in the tray.* Play only with your original buy. When that amount is played

Diogenes
Exhibit 2016 - Page 055

out, stop playing and take stock. If the tray is full and/or runs over, shout "Hooray!" and fill up one of the coin buckets. If there are only a few piddling coins in the tray, put them in a cup anyway. Count your winnings before you buy any more change so you know whether you are ahead or behind.

Too many slot players will play the coins in the tray, whether it is full or almost empty, and continue to play until they are all gone. Their excuse is that they're trying for the big jackpot and will be content with nothing less. More often than not these losing sessions accumulate until one "big" win doesn't make up for the losses over a long period of time.

6. If you're ahead, cash in at the change booth and put the amount you're ahead—even if it is just a dollar or two —plus the original buy amount in an empty pocket or "winning section" of your purse or wallet.

7. Buy more change (if you are ahead) with another portion of the original stake and play that out, take stock again, cash in, etc.

8. If, after spending half of your stake, you are behind by that much or almost that much, revise your game plan. Change the type of machine you're playing to a lesser denomination, 3-coin instead of a 5-coin, a standard instead of a progressive type, etc. If you haven't done so before now, at least change machines. It's not a good idea to continue to "feed" a machine that doesn't pay anything.

9. On the other hand, if you're ahead and your machine keeps you ahead with each cash-in, keep playing. When your last cash-in amount is considerably less than the amount of stake spent, it's time to move on.

10. If the time you set to quit playing arrives and you

haven't spent all of your $100, consider yourself lucky. If you have spent it all and you have anywhere near that amount in your "winnings" pocket, consider yourself lucky also. A few dollars only indicates that you've had your evening's entertainment and the session was not a "total loss." If your winnings exceed your original stake, be happy! DON'T SPEND YOUR WINNINGS!

11. Now this is the toughest step of all. If you're out of time and you still have part of the original stake for the session left, put it in the "winnings" pocket. If the original stake is gone, don't dip into the "winnings" pocket whether it contains $2 or $200. DON'T PRESS YOUR LUCK *OR* YOUR LOSSES. THE SESSION IS OVER.

In his book, *Pay The Line*, John Gollehon gives excellent advice to craps and blackjack players that is appropriate for slot players or any gambler: "Winning must be reduced in your mind to its simplest terms—*if you have won any amount, you have not lost!* You must be content with a win of any amount." Further, he says, "Let small winning sessions accumulate .... You'll hit a big one from time to time, and more power to you!"

Don't be Greedy! According to Gollehon, "Greed makes losers out of winners." His opinion is: "Slot machines bring out the greed in players more than any other casino game." Before you take offense, consider his reasoning. The "big jackpots"—whether shown on a standard payout table or a super progressive display—"work on a player's greed" until they "give these machines all their money." Players "go strictly for the big jackpot which is virtually the same as going for broke!"

Whether or not we agree with Gollehon's opinion of slot players in general, suggestions and questions come to mind

Diogenes
Exhibit 2016 - Page 056

that might explain why slot players are more likely to be losers than table game players.

The lure of the big jackpot is definitely a factor. There is no posted "win" amount over a blackjack or craps table. Any projected or expected win figure has to be developed by the player himself who, if knowledgeable, will plan his betting strategy to achieve whatever goal he has in his own mind.

In contrast, the slot player's goal is influenced by the casino and is constantly before his eyes on the machine's pay table or the progressive jackpot display. It becomes a challenge to reach that goal, too often at any cost!

Say what you will about the competitive spirit of the gambler who tries to "beat the dealer" or "beat the odds" at the blackjack or craps table. He is more likely to quit after losing his stake than the slot player. He doesn't worry that someone else is going to sit in his chair after he leaves and win his money. But that's the way many slot players feel about giving up a machine they have "fed" tens or hundreds of dollars fruitlessly.

If another player hits the jackpot on the machine they have just left, they get angry, as if the player were winning *their* money. . . not the casino's money. If you can't stand to see anyone else win, don't hang around to watch someone else play after you've stopped. It can be disheartening, especially if you lost a sizeable amount. Losing is discouraging enough. Don't be a masochist and stick around for further agony.

Whether or not you follow these steps to the letter is unimportant. Develop your own discipline. That's the key word.

A disciplined player will resist the temptation to play more than he can afford to lose. A disciplined player's winnings will bring more satisfaction in the long run, because his contribution has been more than a blind reliance on chance or luck. In a sense, he has "worked" at winning and had a good time doing it.

Credit

Although casinos extend credit to players, we do not recommend going into debt for "entertainment." Likewise, we recommend that you leave credit cards and bank automatic teller cards at home so you won't be tempted to use them in the all-too-convenient cash-dispensing machine available in all the large casino-hotels. Using these methods of exceeding your budgeted gambling stake could lead to regrets later. Besides, the interest or cash advance fee charged by the credit card companies also reduces the amount of your winnings and should be figured into your records.

Remember too, credit at a casino is like credit obtained from any other institution. You *do* have to pay it back; it is a legally collectable debt. Somehow, paying off a debt for a cash outlay for which you received no concrete benefit like a car, house, or TV set is very unpleasant.

Another "convenience" being installed at casinos is change machines. You can insert 5, 10, or 20 dollar bills and receive rolls of coins. These machines are replacing not only change booths which take up valuable slot space but also change girls. Personally, we have trouble getting the correct stamps or change from the automatic stamp dispensers at the post office and prefer not to use these change makers. Inserting more than one dollar in such a machine seems risky. Suppose it malfunctions, keeps your

Diogenes
Exhibit 2016 - Page 057

bills and doesn't give you coins. Then you have to flag down a change person or floorman anyway. This additional step in depersonalizing the casino and cutting down on the cost of personal service to increase casino profits should not be encouraged. If you run out of coins and don't want to give up the machine you're playing, press the button to turn on the light called a "candle" on top of the machine to alert the change girl that you need change or service.

Manage your time and money, and play with moderation and a great deal of discipline. And just as an athlete "psychs" himself into a winning frame of mind, the slot player should approach each session with a positive attitude also.

The IRS Tab

In the "old days," gamblers could choose to remain anonymous and insist on any win being paid on the spot, no questions asked. Now all casinos and gaming licensees are required to report any slot player's single win of $1,200 or more to the Internal Revenue Service. If you hit a jackpot of that size, a casino floor supervisor will ask you to complete and sign the form to report the win. You'll be asked for your driver's license or other ID and your social security number. The casinos also use this information to check their "files" for any credit markers or data on known felons or slot cheats.

If the jackpot is a sizeable one, they will probably ask to take your photograph with the machine, offering to send you a copy and perhaps free dinner tickets. If you choose to remain anonymous, they will refuse to release

your name and photo to the press, or to display it in the casino along with their other big winners. *If you don't want to be bothered by salesmen, bunko artists or even thieves, remaining anonymous is a good idea.*

At the end of the year you will receive the Form W-2G from the casino reporting your win which you must attach to your annual tax return filed with the IRS. If you want to claim your gambling losses to offset the taxes assessed on your win, you may do so but you cannot claim any losses beyond your winnings, and you cannot carry losses forward from prior years.

Professional gamblers, however, who consider gambling their primary occupation or business can deduct other associated expenses allowable just as any other businessman. However, gambling losses cannot be deducted against other unrelated income.

A recent ruling by the U. S. Supreme Court involved the case of Robert Groetzinger who lost his job of 20 years with a truck company in Peoria, Illinois, and who started playing dog races full time in 1978. His winnings totalled $70,000 and he claimed losses of $72,032. He listed $2,032 as a business loss. The IRS claimed gambling was not a "trade or business," but the tax court ruled in Groetzinger's favor. The IRS took the case to the U. S. Court of Appeals who compared career gambling to playing the stock market and determined "full-time gambling for one's own account as a person's occupation or livelihood, and therefore as a trade or business."

The IRS then appealed to the highest court in the land. Five Supreme Court Justices agreed with Justice Harry Blackman's opinion: "If a taxpayer . . . devotes his full-time activity to gambling, and it is his intended livelihood source, it would seem that basic concepts of fairness

Diogenes
Exhibit 2016 - Page 058

demand that his activity be regarded as a trade or business just as any other readily accepted activity."

Keeping Records

For the non-professional as well as the professional gambler, the IRS may ask for proof of losses deducted.

Like Groetzinger, the professional gambler must keep thorough records of wins and losses and should expect to have them available for his tax preparer and the IRS if his return is audited.

For the novice, or occasional slot player, keeping records of money spent and won may seem like a chore and a bore. *Be assured that if you get lucky and hit the big one, you'll regret not having kept good records and documents to calculate your losses for deduction on your tax return.* Here are some suggestions:

Carry a pocket calendar and enter the amount spent and the amount won on the appropriate day you play. Also, include such data as where, what type of game played and, if possible, the name of slot or casino personnel from whom you bought change or perhaps who know you as a frequent player.

Another efficient record would be a small notebook to carry in your purse or pocket with a form to easily record the necessary data, i.e. with columns similar to the example on the next page.

DATE	TIME	PLACE	MACHINE TYPE	MACHINE NO.	AMOUNT SPENT	AMOUNT WON	NET LOSS	NET GAIN	WITNESSES/ COMMENTS

This chart is suitable for photo-copying

Diogenes
Exhibit 2016 - Page 059

You can develop your own shorthand and abbreviations for the columns so that the entries are easy to make and easily interpreted. For instance, "CP" for Caesars Palace; "DI" for Desert Inn; "25VP" for quarter video poker; "13AB" for $1, 3-coin, any bar, etc. Don't try to rely on your memory to record everything when you get home.

Keeping a record has other advantages:

Noting the places and the machine numbers you play will provide a record of where you have the best luck and which machines consistently pay or, on the other hand, consistently take your money.

Some casinos announce the amount of large jackpots over their loudspeakers and often give the machine number hit. Take time to record these for future reference. You may want to play them later, especially if your records show that they hit frequently.

Your records may also help you to revise your future plans. The history over several months or trips may reveal significant patterns of play that you were completely unaware of before you kept records.

If you're a frequent player, the records may give you stark realization of your accumulating losses. In bits and pieces, your losses may not seem like much, but when you look at your "balance sheet" over several weeks or months, the numbers might change your whole outlook on slot machines. Then again, we can only hope that in many cases we didn't make the AMOUNT WON and NET GAIN columns wide enough for you to fit in all the zeroes!

Use the last column on our chart to also note comments on the day's events like: "Hit four-of-a-kind three times and played it all back." Later, it can make you think twice before repeating such folly. It could be abbreviated "4 X 3 = 0." If you hit a five-dollar jackpot six times and

cashed in $10, it could be "$5 X 6 = $10." Not good math but good record keeping. If you cashed in the win, the other columns will reflect whether or not you bought more change and lost it all, had a winning session, or had an evening's entertainment for little or nothing.

Keep enough records to satisfy the IRS, but don't let the "chore" spoil your fun. One lady slot player interviewed on TV's "20/20" described detailed record keeping to the Nth degree. When she played, she recorded so much data it's a wonder she even took time to enjoy the game. Maybe she enjoys the record keeping more than the game.

Slot playing is supposed to be entertaining, and winning is definitely fun! But when it ceases to be fun, it's time to quit playing!

Diogenes
Exhibit 2016 - Page 060

CHAPTER 7

Where To Play

Where is the best place to play slot machines? It's a difficult question to answer, but some information about the different places available and the type of machines found in each should be helpful to you.

In New Jersey, the only slot machines to play are in the resort hotel-casinos in Atlantic City. Gaming, other than the lottery, is illegal anywhere else in the state. Incidentally, casinos in Atlantic City are open from 10 a.m. until 4 a.m. on weekdays and 6 a.m. on Saturdays and Sundays.

But in Nevada, all casinos are open 24 hours every day. Part of the opening ceremony for many casinos is to cut

the ribbon and throw away the keys. Many grocery stores, bars, and convenience stores are also open around the clock. There is always some place open for gambling in the larger towns and cities. You can play almost anywhere open to the public except churches, schools, major department stores, banks, federal buildings and most business offices. In almost every other business you will probably find one or more slot machines.

Let's categorize these gaming establishments, and make a few generalizations.

Supermarkets, Restaurants, Bars, Gas Stations, Etc.

As soon as you cross the state line into Nevada on a major highway or as soon as you enter the first town, you'll be able to find some place with slot machines to play. It may be only one old-fashioned mechanical reel-type machine still displaying lemons, cherries, bells and bars, or a more modern video slot, video poker, or video blackjack, depending on the age of the town, the business, or its owner. It may be in a one-gas-station wide-place-in-the-road, a new convenience grocery store, or a full-blown casino built to catch the "first chance" or "last chance" gambler, depending on which way you're going, or on which side of the highway it's built.

Usually these businesses, where gambling is only incidental to their primary activities, do not own the machines. The machines are placed there by licensed operators who have regular "routes" which they run daily, weekly, or less often, according to the amount of play the machines usually receive. These operators may be individuals with a

Diogenes
Exhibit 2016 - Page 061

limited number of machines and locations, or they may be one of the major manufacturers who takes advantage of all opportunities to capture as much of the market as possible. Routes are run in much the same way as your usual vending machine routes.

If there are enough machines in the supermarket, restaurant, or bar, there may be a change person on duty to sell you coins and pay out jackpots. If not, you may have to get change from the cashier or manager of the business. The same is true of a payoff for a jackpot not automatically paid by the machine. You may have to wait in line behind regular customers, which can really be a nuisance if you're just passing through. If the cashier or the manager cannot pay you the jackpot or service the machine if it malfunctions, you could be in for a long wait while they call the operator. Sometimes you can leave your name, address and phone number, and come back later to collect. If you don't live in the neighborhood, are just stopping for food, gas or car repairs, or a quick break, the delay may not be worth the amount won.

Another danger in waiting for a machine to be fixed or to collect your winnings is that you may get bored and pass the time playing one or more of the other machines available. If your "gambling fever" is high, you might lose money equal to or even more than what you've won. If time is a factor, you're in a hurry, you have a business appointment to keep, your vacation is short, or you're bent on a period of more serious gambling, pass by these machines.

A better reason to ignore them is that most often in these non-gaming establishments the machines pay less for smaller hits even though the jackpot on an individual machine may be comparable to that in some casinos. This

difference is seen more on video poker machines than on regular slot machines. Assuming you have wisely set aside the amount of money you intend to invest in slots, our advice is to save it for the casinos where the best odds or bigger returns for your investment are possible.

"Little" Casinos

The term "little" is relative. Here we refer primarily to the size of the establishment and the fact that it contains only slot machines, no table games. It may be adjacent to or include a souvenir shop since the majority of its customers are tourists, many on their first visit to the state.

On Fremont Street in downtown Las Vegas, commonly called "Glitter Gulch," you'll find a number of these "slot joints." They are also sandwiched between the larger casinos on the Las Vegas "Strip" which is Las Vegas Boulevard. Many more are found on side streets and in other parts of the city. In Reno, "The Biggest Little City in the World," little casinos are found throughout the city. These types also are common in the smaller cities of Nevada, such as Carson City, the state capital.

Characteristically, these slot joints have "open doors" to the sidewalk. Quite often attractive girls in mini-skirts or costumed creatures (clowns, animals, cowboys, etc.) stand at the doorway and hand out coupons for "freebies" to get you inside. The freebies may include drinks, souvenir key chains, miniature plastic slot machines, long distance telephone calls, drawings for "fabulous" prizes, candy, popcorn and free pulls on a special machine. These gimmicks usually have conditions. You have to register, show an out-of-state driver's license, or stick around for the

Diogenes
Exhibit 2016 - Page 062

drawing. They hope you'll play the machines while you're collecting the cheap freebies and waiting to win that "trip to Hawaii." The drawings do not always take place on schedule, if indeed a schedule is announced, so you can't leave and come back for the drawing. Naturally, you have to be present to collect the prize if you win.

These places are noisy. The space is limited and the music or hawking voices are loud enough to hear across the street or at least a block away. Inside, flashing lights, bells, whistles, and sirens go off when a jackpot is hit and even make some kind of noise with minor payouts, anything to give the impression that players are winning "lots" of money.

Sometimes they advertise that their machines "return up to 97%" of the money played. However, not all machines have the same percentage of return. Naturally the high percentage machines are not marked. If they were, few of the others would be played.

Most of these little slot joints are "tourist traps." Most "locals" avoid them. Fortunately, on the Strip and in downtown Las Vegas they are gradually being bought out by the larger establishments. But there will always be a few "die hards" as long as they can attract enough players. Unfortunately, these slot joints also attract the vagrants and bums because of the easy access to the street. Petty thieves jump at the chance to snatch a few coins from the tray of an unwary player. They can "hit and run" before the police or the security guards can be called into action.

In one joint a woman was playing at a bank of dollar machines near the door. She was playing five machines at a time and had coins in each tray. She hit the triple bars on the one nearest the street and moved down the line plunking coins in the others while the machine spit out

$150. As she reached the fifth machine in the row, a nondescript man walked over, grabbed two handfuls of the jackpot dollars, stuffed them in his jacket pockets and ran out the door. The woman screamed, but couldn't leave the rest of her machines to run after him. That would have been even more foolish. The thief may have had an accomplice waiting for her to do just that or any other dishonest person could have moved in on her machines. She was her own worst enemy. Had she played only one or two machines at a time, she could have protected her winnings. These small casinos do not have enough change girls to "watch" your machine while you "take a break" as in the larger casinos.

Even in the larger casinos, **it is not wise to play more machines than you can watch carefully.** Another lady was playing two quarter slots in a major hotel-casino and had quite a few coins in the tray along with two unopened rolls. She dropped a couple of quarters on the floor as she played the machine next to her. When she reached down to pick up the quarters, the man playing the machine on her other side quickly grabbed the unopened rolls and slipped away before she even realized they were missing. He was long gone before she could alert Security. She also could not describe him well enough for them to even know who to look for if he were still in the casino. There are lessons here for the novice slot player:

1. KEEP UNOPENED ROLLS IN YOUR POCKET OR PURSE AND DON'T PUT YOUR PURSE BETWEEN THE MACHINES. 2. KEEP YOUR EYES ON YOUR MACHINE (AND YOUR MONEY) AT ALL TIMES AND BE CAREFUL OF DISTRACTIONS. 3. TAKE A GOOD LOOK AT WHO IS PLAYING NEXT TO YOU. IF YOU GET A BAD

Diogenes
Exhibit 2016 - Page 063

VIBE, MOVE AT ONCE. 4. DON'T TRY TO PLAY TOO MANY MACHINES AT A TIME. IT'S BEST TO PLAY ONE OR TWO AND THEN MOVE TO OTHERS AFTER YOU'VE HIT THE BIG ONE OR IF THEY'RE NOT PAYING.

Distractions can cost you money. One lady playing video poker next to her friend got so excited when the friend hit the royal flush that she forgot to pay attention to her own hand. She had a natural flush (7, 8, 9, 10, King of clubs) on the screen, with a possibility of a straight flush if she held four cards, threw away the King and drew the 6 or Jack of clubs. She not only forgot to draw for the straight flush, she forgot to hold the flush. She hit the draw button and got a garbage hand. She missed 30 coins for the sure winner already showing or a possible 250 coins for the straight flush. That's like slapping Lady Luck in the face!

Even some of the medium-sized and large casinos have open doors to the street with banks of noisy machines ringing and clinking to attract the "gambler" walking by with a few dollars burning a hole in his pocket. Security may be more effective in the larger establishments, with even a station close to the door, but these open doors still attract the petty thieves who haven't acquired the skill of the slick pickpocket who can work the crowd farther inside the casino.

Let's get back to the "little" casinos. One thing they have that you won't find in the larger casinos is penny slots. Some of the medium-sized casinos also have penny slots, and many new establishments include them at their grand openings, so there's something for everyone, at least in the beginning. When the casino gets enough regular trade, it phases out the penny slots and for two good

reasons. They take up as much space as the other higher return machines, and they sometimes attract the bums, the pan handlers, and too many players who only spend $2 or $3 each.

If you want to play for fun and are not looking to make a killing on the slots, penny slots may be the answer. Although manufacturers make very few of them anymore, there are still some of the old mechanical types around. There are even a few of the modern progressive video jackpots to be won.

The Gold Spike casino on Ogden Street, one block off Fremont in downtown Las Vegas has a large selection of different types of penny slots. Several even have a top jackpot of one million pennies - that's $10,000!

At the Western Hotel and Bingo Parlor, a medium-sized casino hotel, just down the street from the El Cortez in Las Vegas, a little old lady was playing a penny slot that had a phenomenal $50,000 jackpot to be won. That's right! Dollars, not coins! Five pennies at a time to line up four sevens on the center line would win. She had been playing for hours and was tired. The machine was one of the credit types and she had 75 cents in credits. A man standing behind and watching her offered to pay for the credits. She readily accepted, not anxious to carry home 75 pennies. You guessed it! He hadn't even played off the 75 cents before winning the fifty grand. Ah yes! That's the stuff dreams are made of! I only hope the little lady had gone home and didn't read the announcement in the newspaper the next day. Of course, there was no guarantee that she would have hit the jackpot had she continued to play. We explained the reasons why in our opening chapter dealing with how the machines really work. Remember?

The Western is proud of its penny slot promotion. You

Diogenes
Exhibit 2016 - Page 064

can see pictures of winners displayed on top of their two banks of progressive penny slots.

Fred Urich, Jr.	Watkins, CO	$13,005.20
Eugene Gozikowski	Las Vegas, NV	$95,172.50*
Raffaela Norstrum	Las Vegas, NV	$14,463.25
John Koch	Las Vegas, NV	$ 6,294.50

These jackpots were paid off all at once, not in installments over a number of years, as is the case for some of the huge progressive jackpots advertised.

As for the little casinos, on your first trip to Nevada, go ahead and collect the "freebies" if you want some cheap souvenirs to take home. But they may cost you more in coins lost in the low-pay machines than they would if you bought them in a gift shop. Remember, too, the cardinal rule for slot playing anywhere: THE MORE YOU PLAY, THE MORE YOU'LL PAY! Take a cue from the petty thief. HIT AND RUN!

Medium-sized Casinos and Slot Parlors

Again, the size is relative in this category. We will describe those establishments where the business is about half devoted to gambling and the other half devoted to some other activity such as a motel, RV park, restaurant, etc. This category also includes those casinos that have gaming as their primary activity but they are not large enough to have the volume of business enjoyed by the"giants" of the industry. They may have a few table games, but mostly slots.

*That's almost a hundred grand for five cents a play! For them, the three P's (patience, persistence, and pennies) paid off handsomely. Whatever their total investment, it couldn't have been anything near what they won.

Many have bingo parlors. Avid bingo players are usually avid slot players as well. Many spend the whole day and much of the night alternating between the bingo games and their favorite slot machine. Bingo players seem to prefer these casinos over the more glamorous giants, and you'll find more locals who regularly play there. These regulars have "favorite" machines and get upset when someone they don't know plays "their" machine.

Locals prefer these neighborhood casinos for a number of reasons. Perhaps they know the owners or managers and feel that they receive more personal or courteous service. They win more often there. They meet friends and enjoy the camaraderie as well as the gamble. They have "learned" which machines have the best percentage of payout and the best time to play when the casino is not so busy. They feel less intimidated than in the larger hotel-casinos. They like the food or the food prices and gambling is secondary (unless they're fooling themselves). They like to stay close to home or they have no car to go farther, and so on. Many of these reasons are valid and may even affect their "luck." (We'll explore the psychological aspect of playing in another chapter.) If you're visiting friends and they want to take you to their favorite hangout, by all means go. Good luck to you!

As for the slot machines in these places, you will find all kinds, old and new, and all types of pay tables from the best to the worst. Walk around and see what is offered and available before you play. If you find a bank of machines that is empty most of the time, chances are there is a good reason. Either they have been paying heavily and are on a cold streak, or their percentages are set so low that the players have learned to avoid them. You probably should avoid them also. You could test them. If they

Diogenes
Exhibit 2016 - Page 065

drop a few coins, keep playing. If they don't, walk away.

The Giants

They're glamorous! They're colossal! They're majestic! They're palatial! They're phenomenal!

There aren't enough superlatives to describe these giants of the gaming industry. In Atlantic City, in Reno, in Tahoe, and above all in Las Vegas, the beauty, the wealth, and the pleasure sought by millions of visitors annually is found in these hotel-casinos.

Do you like castles, palaces, and imperial majesty? You'll love Caesars Palace, the Imperial Palace, and the majesty of Bally's or the Las Vegas Hilton. The Roman motif at Caesars is carried out with a Cleopatra's barge floating on the water (actually a cocktail lounge with live entertainment) a Baccanal (gourmet restaurant), authentic copies of Roman statues, a Circus Maximus (show room), a Colosseum, a rotunda with a miniature Rome, cocktail waitresses in mini-togas, beautiful fountains, marble columns, and art treasures (everything but a miniature Vatican City). Caesars Palace has one of the most beautiful buildings and grounds of all the giants. John Stroup, slot manager of the Flamingo Hilton, stated that Henri Lewin of the Hilton wrote a letter to Caesars Palace, thanking them for the beautiful view accorded the guests of the Flamingo across the Strip.

At the Imperial Palace you'll find Japanese restaurants, pagodas, torii's, cherry blossoms, Kobe steak house and lovely oriental decor.

The desert motif (Las Vegas is in the desert) is found at the Sahara, the Dunes, the Sands, the Desert Inn and

the Aladdin. Perhaps you prefer our western cattle country and Spanish heritage. If so, you'll like the Frontier, Sam's Town, Binion's Horseshoe, El Cortez and the Hacienda. You'll find the western mining theme at the Golden Nugget and in some medium sized casinos such as the Silver Nugget, Silver City, Gold Strike and Jerry's Nugget. The Golden Nugget in "Glitter Gulch" removed its former facade reminiscent of an old frontier saloon and it is now as classy as any hotel on the Strip.

Harold's Club in Reno features the "Silver Dollar Saloon" with a gun collection and museum, along with a scene-in-motion outdoor mural complete with a 33-foot waterfall and a pioneer's crackling campfire.

If you are a railroad buff, there are memorabilia of that vanishing industry found at the Union Plaza and Palace Station in Las Vegas, the Railroad Pass in Henderson, and in the Station House in Tonapah, Nevada, approximately 250 miles north of Las Vegas.

The tropical island motif is found, (where else?) at the Tropicana in both Las Vegas and in Atlantic City. The Trop in Vegas (everyone clips the names of the city and these well-known hotels) features a tropical island with the world's largest swimming pool, live flamingos, talking parrots, a weekly luau and swim-up blackjack tables.

Hotels which have borrowed heavily from the heritage of our neighboring state are the California, Barbary Coast, Golden Gate, Gold Coast and Fremont. For old-world enthusiasts there is the Riviera, Continental, and the Maxim. Don't forget the gambling theme; it's found at the Four Queens, Showboat, Holiday, Lady Luck, Fitz (formerly Sundance) and Paddlewheel. Binion's Horseshoe fits here too. The Four Queens also capitalizes on the "royal" motif.

Diogenes
Exhibit 2016 - Page 066

The Nostalgia kick sweeping the nation is being manifested in the casino industry. Decor in new additions and renovations reflect the 50's and 60's with the popularity of automobiles that are now classics, and the music of the era played in lounges and in restored "juke boxes."

The Boyd group purchased the Stardust and remodeled it with a 50's and 60's theme. Ralph's diner is reminiscent of those "Happy Days." Their second floor addition to Sam's Town includes "Mary's Diner" complete with the remote coin operated juke boxes in each booth. The menu features a T-bone for 50 cents, but with meat it's $7.95. On slot machines, you can win restored automobiles of the era. A '57 Chevy was won on a quarter slot and was followed by a '66 red Mustang convertible.

In Reno, Eddie's Fabulous 50's opened recently with a rock 'n' roll theme from 10-cent popcorn and penny and nickel slots, and reruns of "Ozzie and Harriet" and "Howdy Doody." Cocktail waitresses, cashiers and dealers break out in song and do the "Twist."

Who says history doesn't repeat itself. Wonder if they'll go so far as to simulate the days when the "Mob" ran all the gaming establishments. We still hear old-timers reminisce about the "friendly" atmosphere of those "good old days" when owners didn't worry about making a profit in *all* departments. They were happy with the "take" from the games which more than made up for the losses on food and beverages.

The corporations running today's operations have already been showing losses in the food departments. The cheap buffets and coffee shops featuring $4.95 prime rib dinners have lines with waiting times of 30 minutes to an hour on holidays and weekends. Many residents find that dining out is cheaper than buying groceries! The late

food specials feature complete breakfasts from 49 cents to $1.99 and New York steak dinners starting at $1.98. Nine out of ten customers will drive across town for a $1.98 steak and then drop $20 or more in the slot machines or at the tables.

The Colorado Belle in Laughlin (on the Colorado River southeast of Las Vegas) replicates a 608-foot-long 19th century three-deck Mississippi paddlewheeler complete with 209-foot-tall gold-crowned smokestacks and a 60,000 square foot casino. An adjacent six-story hotel is decorated in the style of old New Orleans. Built by Circus Circus, the Belle is adjacent to the Edgewater Hotel and Casino. The Belle opened with 1,200 slot machines, 44 blackjack tables, and two separate keno games as well as roulette, craps and live poker. It is claimed as the third largest casino in the world, quite an operation for this small river town growing by leaps and bounds.

The atmosphere or ambience in these giants varies with the decor, from formal and elegant to informal and neighborly. But strange as it may seem, you can be comfortable in blue jeans and boots at Caesars Palace and not feel out of place at Sam's Town in a tuxedo, formal and furs. Except for a few of the gourmet restaurants which require a coat and tie for dining, there is no dress code to gamble or even attend the shows. All the casinos really care about is that you have the money to play your game. Of course, they don't tolerate vagrants and pan handlers; they are quickly shown the back door by security guards. If you're clean and neat, you can wander around, soak up the atmosphere, and just watch the action, as long as you don't disturb the paying or playing customers. Take time on your first visit to appreciate the elegance of crystal chandeliers, rich furnishings, statuary, fine art and antiques found

Diogenes
Exhibit 2016 - Page 067

throughout most of these casino-hotels.

As for the slot machines, the giants carry the greatest variety and number and they carry the most progressive jackpots with hundreds of thousands to millions of dollars to be won, not to mention, automobiles, boats, and motor homes. Wander around and look them all over before you play. Again, there will be different pay tables, old and new machines and different special promotions. Don't be caught by the lure of the giant progressive jackpot closest to the door, but don't ignore it. It may be the best bet in the house. Just make sure that you know what to expect with any hit, small or large, and make sure that you collect all that is coming to you when you win.

Visit all these giants that your time permits. Then play where you feel most comfortable, or "lucky," or where you receive the most courteous service from the change person, the floorman, and the cocktail waitress. By the way, don't be confused by the title "cocktail waitress." She'll gladly bring you any beverage you like, be it milk, orange juice, soft drink, fruit juice or the more potent stuff. If you're gambling, drinks are free. Of course, it's polite to tip for the service, if the server was polite too.

On The High Seas

Do you want a "Rock and Reel" vacation? If so, you can rock to the waves and spin the reels on the many cruise ships offering gaming as well as the usual shipboard activities.

According to a recent Shipboard Gaming Guide, 29 cruise lines with 88 vessels offer both slots and table games on their cruises. A total of 4,337 slot machines are afloat,

which equals approximately one fourth of the 18,198 slots reported for Atlantic City last year.

The Norwegian-Caribbean Lines (NCL) have six vessels which carry a total of over 500 slots. But the largest total, 653, can be played on the six ships of the Carnival Cruise Lines, operating out of Miami, Florida. The largest number on a single ship is 310 on NCL's *Norway*, the largest cruise ship afloat which accommodates 2,000 passengers. The *Azure Seas* of Admiral Cruise Lines carries 185 slots and its *Emerald Seas* has 145. The *Sovereign of the Seas* of Royal Carribean Cruise Line carries 175 machines. Princess Cruises of television's "Love Boat" fame operates five ships with a total of 368 machines. The *Royal Princess* offers 102 slots for diversion if your "love interest" doesn't materialize.

The cruise lines offering three to 14-day trips to various ports of call do not emphasize gaming in their advertising brochures. On the other hand, some lines offer one-day "cruises to nowhere" for the main purpose of gaming outside territorial waters. According to Michael Davis, in "Gaming & Wagering Business," shipboard gaming does not come under close scrutiny by regulatory bodies as land-based gaming does. However, he states that if shipboard gaming proliferates, "this free-floating industry segment might invite more stringent regulatory enforcement." If not, we can see that this proliferation could lend a whole new meaning to "piracy on the high seas."

Other Attractions

Many of the giants have added attractions that may or may not be related to gaming. The gift shops, the video

Diogenes
Exhibit 2016 - Page 068

arcades for the underage members of your party, the stage shows, the lounge shows, bowling alleys, spas, tennis, golf, and other special attractions keep the non-gambling members of your party occupied or provide a break from the gambling (if you're tired or on an unlucky streak). And, of course, there's always a swimming pool.

But there's a lot more that only Las Vegas could offer. Collections of antique slot machines, some silver and gold plated, are on display at the Maxim in Las Vegas and the Station House in Tonapah. The Stardust in Las Vegas includes a large museum devoted to Nevada's history of gambling and antique slot machines. Many other casinos also have a few non-playable antique machines for "historical color" usually placed near restaurants, change booths, or the cashier cage where players may have to wait in line for dinner or change.

The Imperial Palace has an antique automobile collection as well as more modern autos formerly owned by celebrities or more infamous people such as Al Capone and Adolph Hitler. Included is the 1962 bubble top Lincoln Continental ordered for President Kennedy and used by subsequent presidents and dignitaries such as the Johnsons and the Apollo 8 astronauts. To pique your interest, a few are displayed at various spots in the casino. The collection is rotated at various times throughout the year, so no two visits should be the same.

Many of these autos are periodically auctioned at this hotel to the highest bidder. At their auction recently, the highest price ever paid for an automobile was by Eric Traber of Switzerland for a completely restored 1930 Duesenberg for $1,150,000.00. A crowd of 7,500 bid a record-breaking $21,750,000 for 500 vehicles. John Madden, football coach turned sports broadcaster, bought a

1957 Ford Thunderbird for $27,000. Singer Kenny Rogers bought a 1957 Chevrolet convertible for $31,000. Michael Nesmith, formerly of the Monkees and founder of MTV, spent $26,000 for a 1957 Cadillac Brougham. (Incidentally, we heard that part of Nesmith's wealth comes from an invention by his mother. It is Liquid Paper, the fluid used to cover typing errors.)

Another large antique and famous-owner auto collection is an attraction of Harrah's Club in Reno, but it is housed in a separate facility about three miles from the hotel-casino.

Apparently, collectors are also gamblers. Recognizing this fact, the Sahara Hotel and also the Hacienda feature many "shows" in their own convention facilities for bottle collectors, weapons collectors, philatelists (stamp collectors), numismatists (coin collectors), lapidaries (rock collectors), doll collectors, antique collectors. . . you name it.

The Four Queens in downtown Las Vegas features Ripley's "Believe It Or Not." One magnificent display is the Matchstick London Tower Bridge made by Reg Pollard of Manchester, England. The model is 14 feet long, 4 feet wide and 5 feet 10 inches high. The project took 264,345 common matchsticks, 3 gallons and 5 pints of glue, 2 1/2 liters of varnish and 2,386 hours of labor. Laid end to end those matchsticks would be 6 miles long!

Binion's Horseshoe, which opened in 1951 in downtown Glitter Gulch, displays a million dollars in currency in a glass horseshoe and will take your photograph standing by it. We classify Binion's as one of the giants, although it is strictly a "gambling hall" with no show rooms, lounges, or swimming pool and only a small hotel with 80 modest rooms. "Lottery Players Magazine" quoted the

Diogenes
Exhibit 2016 - Page 069

81-year-old Binion: "Let's put it this way. We got a little joint and a big bankroll. All them others got a big joint and a little bankroll." Binion's knows also that most players like a good meal at a modest price. From 10:00 p.m. until 7:00 a.m. you can get a steak with baked potato, salad and beverage for only $2.00. And it's good! Also to accommodate its many customers, Binions built a second high-rise parking garage a short block away from the main facility.

The Golden Nugget displays the largest gold nugget in the world. "The Hand of Faith" nugget was found near Wedderburn, Victoria, Australia, in October 1980, and weighs 875 troy ounces (61 pounds 11 ounces.) A man, his wife, and four children were prospecting behind their trailer and found it just six inches below the surface. It cost the Golden Nugget a cool million. At current prices, the gold alone is worth almost $400,000. Of course, the aesthetic value is more important. Prior to discovery of The Hand of Faith, the largest gold nugget in the world was the Robins Nugget also displayed at the casino. Weighing 189.7 troy ounces, the gold in the Robins Nugget is worth only about $40,000. It was also found in Australia. Other large nuggets from Alaska gold fields are also on display.

As you enter Las Vegas from the south on Highway 95 (Boulder Highway) you pass Sam's Town which features a 56-lane bowling alley and a western dance hall where you can learn to square dance. Further down the highway is the Showboat with 106 bowling lanes. The El Rancho on the Strip, Bally's in Reno, and the newly opened Showboat in Atlantic City also have bowling lanes. The Gold Coast is the latest casino to add bowling lanes in Las Vegas.

The casinos have found that bowling leagues get players into their establishment two or three times a week. Many

bowlers like to play slots, so the machines are always close by. Bowling tournaments also bring in many out-of-towners during the non-tourist winter season.

The Professional Bowlers Association (PBA) holds annual tournaments at the two Showboat hotels each year. You can watch the top bowlers in the country competing on live television. In 1984, Sam's Town started its annual Ladies Professional Bowlers Tournament preceded by a one day Pro-Am No-Tap tournament. The amateurs bowl with the women pros and win prizes from $50.00 for fiftieth place up to $5,000.00 for first place.

Other non-gaming promotions by the hotels include championship boxing matches from Caesars Palace and the Las Vegas Hilton. The Nevada Resort Association figured that the Sugar Ray Leonard - Marvelous Marvin Hagler match in April 1987 brought in $100 million in revenue to Las Vegas. And don't forget the many celebrity golf and tennis tournaments held at the excellent courses and courts in Las Vegas.

Annual telethons raise millions for charity from the show rooms of these hotels. Such worthy causes as muscular dystrophy with Jerry Lewis on Labor Day and, in the spring, Easter Seals with Pat Boone and other celebrities attract many people who stand in line to contribute. While there, many of them also "contribute" to the casino profits at the tables and slot machines. Some believe that their "charity" will be rewarded with a "winfall," to coin a new word.

Bally's (formerly MGM) contains a movie theater which runs old-time classics such as "Gone With The Wind." The live MGM lion was prominently stationed in the theater lobby and was a favorite of tourists and locals alike. Upstairs, a long hall was lined with portraits and

Diogenes
Exhibit 2016 - Page 070

marble busts of MGM's most famous movie stars. When Bally's bought the MGM, the lion had to go. Ironically, Bally Manufacturing used to be known as Lion Manufacturing Company. Some people speculated whether or not they would consider changing their name back again so they wouldn't have to get rid of the lion motif prominent in the hotel and casino. They didn't!

Caesars Palace also contains a movie theater called the OMNIMAX. This special theater shows movies in the "round." The newest hotel with movie theaters is the Gold Coast Hotel and Casino located on West Flamingo Road.

Circus Circus on the Las Vegas Strip, features (what else?) free circus acts thirteen hours every day including acrobats, high wire and trapeze artists, dog shows, unicyclists and much more. A Las Vegas Sun article recently featured the hotel's Director of Entertainment, Mike Hartzell, who "performs an uncommon dual role as department head and as senior ringmaster for the world's largest permanent circus." Hartzell made his first professional circus appearance when he was three weeks old, in his mother's arms, riding on an elephant. "As ringmaster, Hartzell is easily accessible to the public, and he serves as a one-man information bureau, coping with the sublime, the ridiculous and the unexpected. . . ." At various times he has had "to babysit, to make change, to locate wandering husbands and to explain casino games."

In addition to the circus attractions, this family-oriented casino circles the main casino with a second story carnival "midway" complete with coin toss, water balloons, milk bottle game and almost every other game imaginable for the "kiddies" to enjoy while Mom and Dad gamble. Make no mistake, these carnival games are not free. They make a "bundle" for the casino. As one famous comedian put

it, he spent $50.00 trying to win a stuffed animal he could have bought in the gift shop for $13.95. But playing is more fun for the kiddies as well as the adults. It's "winning" that provides the thrill, not just the prize.

The success of the carnival attractions at Circus Circus is reflected in their expansion. In order to make way for more slot machines, they eliminated most of the beautiful water fountains in front of the building. They also used space formerly occupied by gift shops to add a "West Casino" and built a motel "Manor" along with an adjacent RV park. Next came a "Skyrise" hotel and garage. The Manor and Skyrise are linked to the Main casino with an elevated shuttle system and a walk-way. The Manor has a small lobby that is filled with slots, while the Skyrise contains a small casino with lots of slots and Circus Circus' new Race and Sports Book.

These giant hotels contain gift shops with everything from inexpensive souvenirs and paperback books (including this one, hopefully) to designer clothes, jewelry, furs, antiques and art. However, many of the casinos are shrinking the space allowed for these stores so that additional slots can be added. Slots guarantee a greater return per square foot.

Other attractions a short distance from Las Vegas are Hoover Dam on the Colorado River which formed Lake Mead with its fishing, boating, water skiing, and breathtaking scenery. The dam built in the 1930's was a project of the Work Projects Administrations (WPA) and provided employment during the depression days. Las Vegas was merely a railroad station with a few saloons, hotels, and gambling halls downtown in those days.

You can take West Charleston Boulevard to the Red Rock Canyon area where amateur archeologists can

Diogenes
Exhibit 2016 - Page 071

examine ancient Indian petroglyphs or where you can picnic and attend an open-air production of a Shakespeare play on a summer evening.

Approximately 30 miles to the northeast is Mount Charleston for camping and hiking in the summer and Lee Canyon for skiing in the winter. Of course, you can't find better skiing closer to casinos than at Lake Tahoe and Reno where you can enjoy 18 downhill areas and 10 cross country tracks.

Also near Reno is Virginia City where Mark Twain wrote many of his famous tales. The museum of old mining tools and equipment and display of the location, depth and facts about the mines in that area is both interesting and educational.

Are you an autograph hound? Do you want to see celebrities "off stage?" Besides seeing them "live" in the hotel show rooms, you might even rub shoulders with them in the casinos or restaurants around town.

Players interviewed report:

"I watched Jimmy Dean play blackjack at the Landmark."

"I got Liberace's autograph on a flight from Los Angeles to Las Vegas."

"I saw Andy Williams leaving Caesars Palace as I was going in and he smiled at me!"

"In the coffee shop at the Landmark our table was right next to the one where Dottie West was eating lunch."

"I've played the 50 cent slot machines side by side with Redd Foxx many times at Sam's Town."

"I was once eyeball to eyeball with "Wilt the Stilt" Chamberlain at Caesars Palace. That's not easy since I'm only five-two and he's over seven feet. I was on the upper sidewalk and he came toward me walking on the lower sidewalk. When I recognized him, he said 'hello' and waved."

"We chatted with Mike Farrell (B.J. in M*A*S*H) while standing behind him in the Sunday Brunch line at the MGM Grand."

"I once sat across the aisle from Phil Harris on a flight from St. Louis to Las Vegas. You know, they had overbooked the flight and someone else had the same seat assignment as his. They made a big stink about it to the flight attendant but Phil was very gracious and moved to another seat. He also signed autographs throughout the flight without complaining. And come to think of it, I don't think he drank any hard stuff either. Later, at the baggage claim, he even carried his own luggage."

If you're still not sure where to play slots, at least you should have some idea what else you can do with your time and money. We only hope you spend *both* wisely.

Diogenes
Exhibit 2016 - Page 072

CHAPTER 8

Cheating: Methods and Consequences

No book about slot machines would be complete without some reports of slot cheating and its impact on the industry. Stories of "rigged" jackpots receive sensational coverage in the newspapers. Players worry about casinos "rigging" the machines so they won't pay. Casinos worry about dishonest employees and crooked "players." And residents of non-gaming states get a distorted image of the whole industry. To set the record straight, let's look at the problem from all sides and put it in the proper perspective.

Trying to cheat the machines is risky business, even if you're not "in" the business. The story that follows is

a good example.

This portly Polish gentleman in a not-so-fashionable blue suit, shiny with age, walks up to a bank of slot machines. Veteran players are plunking in five coins at a time and nothing is dropping in their trays. The newcomer plays one coin at a time and gets an occasional return on two or three cherries and hits three plums. After exchanging glances, the players beside him can't contain their irritation any longer.

"Why don't you play the max?" says the gentleman on his right.

"The max?"

"Yes, the limit," explains the lady on his left. "If you hit the three sevens with only one coin, you don't get the big jackpot." She points to the pay table on the glass and explains the added bonus for playing the limit.

"Ah!" So the Pole starts playing five coins at a time.

After about fifteen minutes none of them are hitting more than a few cherries and plums. They each buy two more rolls of coins. The change girl pats each man on the shoulder and wishes him luck. She turns to the lady and smiles, "Hit the big one, Honey!"

"These machines are really tight tonight," replies the lady.

"They sure have'em screwed down," agrees the man. "We've gotta loosen 'em up. They're so tight they squeak!"

The machine responds on cue with its built-in noisemaker chirping like R2D2.

The Polish gent pauses, hand at the coin slot, looking from one veteran to the other, brow wrinkled. His literal understanding of English tries to comprehend this idiomatic dialogue. Suddenly, the figurative light bulb goes

Diogenes
Exhibit 2016 - Page 073

on over his head!

"I come right back." He scoops up the few coins in the tray and runs toward the door.

"I'll hold your machine," says the lady, placing a coin cup over the machine handle and stuffing another one in the tray.

About five minutes later the Pole returns, slightly winded.

"I fix. I make it loose!" He holds up a can of WD-40. "I keep it in my car. Good stuff!" He pokes the red tube down the slot of his machine.

"Hey, what're you doin'?" shouts the man, backing away.

"Good grief!" adds the lady. "You can't do that!"

Before they can explain further, the Pole has emptied the whole can into the machine! He steps back smiling, proud of his handiwork. He reaches into his coat pocket for a coin and drops it in the slot.

WHOOM! Surrounding players gather at the machine. Security guards converge, 10-4ing into their walkie-talkies. No one knows for sure if the spray-oil made the machine any more "loose," but one thing is for sure. Slot machines are not supposed to smoke!

Slot Cheating Rings

One of the members of a highly publicized slot cheating ring testified in court for more than four days, revealing many of the methods and devices by which such rings are successful in ripping off the casinos and the public. Gaming authorities, casino managers and slot manufacturers were amazed at his descriptions of how easy it was to cheat

the machines. He described how the ring recruits "collectors" for their rigged machines from among ordinary "citizens" who have no record of illegal activities or brushes with the law. In fact, he too was recruited as a collector by members of the gang and earned enough money collecting illegal jackpots to pay his way through slot mechanic school.

While in mechanic's school he had a slot machine at home that he practiced rigging and finding different ways to cheat. He taught himself how to pick locks and to duplicate keys to machines. He could use a probe to find the combination of grooves in the lock and then make a key to fit. After just looking at a key, he could duplicate it. One way to see the key was to jam a particular machine in a casino. Then when a player called a floorman after losing money in the slot, he would stand close enough to get a good look at the key.

Later, he drilled holes in the side of a machine and used a wire to manipulate the machine into hitting the jackpot. Once he got his wire caught in a machine at Caesars Palace. The group watched the machine while he went next door to a gas station to get a pair of pliers to either pull out the wire or shove it all the way in. They guarded the machine for 15 minutes before he got back. The pliers didn't help and they finally abandoned the machine with the wire still sticking halfway out!

He described the role that each member of the group played in their operation. There was a "general manager" who decided which machines to hit and who would be there for the operation and sometimes arranged for the collector. There were those who acted as "lookouts," scouting for likely machines to hit. And there were "blockers" to conceal the actual rigging from casino employees and

Diogenes
Exhibit 2016 - Page 074

security guards by surrounding the machine or standing in the way of the concealed cameras when trained at the machine.

On his second day of testimony, the accused cheater demonstrated his techniques by rigging three different Bally electro-mechanical quarter machines for jackpots. The first machine took eight seconds; the second took 24 seconds, and the third just under a minute. He apologized for taking so long because he was "out of practice" after spending four months in prison.

In each case the rigging involved stopping the clock—the wheel device that controls the spin and stops the reels. After stopping the clock, he could align the reels where he wanted them and then free the clock to record the jackpot. He explained how a magnet could be placed near a spot where the electronic components of a machine were located and "put the machine to sleep" so that its built-in security systems would not work.

This successful slot cheat earned about $600,000 a year, which was about one fifth of the approximately $3 million a year collected by the ring. But, easy come, easy go! He said he had squandered the money he "earned." At the time he was sentenced, he claimed he had only about $10,000 and his house left.

Black Boxes

Rumors indicate that electronic "black boxes" have been used by slot cheats to rig jackpots in the new microprocessor controlled machines. Such a device could be produced; however, none have ever been found by gaming authorities.

One ingenious cheater did develop a tiny radio receiver to fit inside the hopper microswitch—the device that counts how many coins the machine pays. He recruited slot mechanics in the casinos to install the receivers, paying them $500.00 for each. Then he played the machines until he hit a jackpot. During the payout he would "light-up" a fake cigar which contained the tiny transmitter to instruct the receiver to deactivate the microswitch. The machine would dump all its coins without counting them. He "smoked" out a whole bunch of jackpots before getting caught. The gaming board confiscated many of the receivers and the "expensive" stogie. Whether or not any machines out there are still waiting for that "loaded" cigar is anyone's guess.

It has been estimated that there are about 120 ways to cheat an electro-mechanical slot. Most manufacturers and operators have modified the machines to eliminate most of them, but for the record let's describe the most common methods of cheating that have been used.

Slugging

"Slugging" is using a counterfeit or foreign coin instead of a legal coin or token to play the machines.

Gaming Authorities were perturbed a few years ago when a government contractor at the Nevada Test Site sold surplus washers at one of their periodic property disposal sales. The washers were the exact size, weight, and thickness as quarters, halves, and dollars. Several purchasers packaged and sold them in rolls like coins. Not surprisingly, they showed up in gaming devices all over town.

Diogenes
Exhibit 2016 - Page 075

The Gaming Control Board eventually made sure that such washers were disposed of somewhere *other than* Nevada.

Recently, two Las Vegas women were arrested for slugging slot machines. Later, authorities obtained search warrants and found nearly 500 slugs and special manufacturing equipment in their apartment!

The use of foreign coins in slots is also a major problem. Barney Vinson, in *Las Vegas Behind the Tables,* relates the incident of the cheater who was apprehended for using foreign coins in the machines. He had 10,000 in his car and had already dropped 90,000 of them into the machines before being arrested.

The Mexican peso is about the same size as a quarter and often works in quarter slots. Canadian quarters sometimes get mixed in with U.S. coins in the rolls you buy or in the hopper fill. They will come out of the hopper with your winnings, but they'll jam the coin acceptor if you try to play them back. If you receive one during payout, the change girls will generally exchange it for you.

Stringing

One method of free-playing a machine is stringing. As the name suggests it involves working the same coin up and down in the coin acceptor by attaching a string or thin flexible wire.

For instance, we happened to play a video poker machine once that another player had just left. After a few plays we hit a flush for a small win. The machine paid about half of the winning amount and stopped. We were seated at an adjacent machine and had been playing it before reaching over and playing the one that jammed. We

called an attendant who opened the machine to check the hopper. The floorman asked who had been playing the machine before we did, and we described the old, thin fellow with spectacles who had just left. He then called security, cleared the jam, and held up a quarter with a nylon thread tied through a tiny hole near one edge.

The old guy had been "stringing" the machine and had left when the thread broke. The floorman dumped the whole hopper of coins into the tray and went through it looking for any other strings or slugs. The security guards alerted the rest of their force to look for the old man, but he had left the casino. Most cheats knowing a slug or stringed coin is inside do not risk calling attention to themselves by asking a floorman to fix a machine. We were paid and not accused of cheating, probably because the change girl remembered selling us coins a few minutes before.

Spooning

Although some players caress their machines and coo at them like lovers, that's certainly not illegal and not the kind of spooning we're talking about.

Spooning was a method of cheating the old mechanical machines which is no longer a problem with the electromechanical and microprocessor-controlled units. The old mechanism for payout included a series of slides which moved backward and forward under the coin tubes. Each slide as it moved backward would allow a coin to pass through to the payout chute into the tray below. If a jackpot was two or more coins, that many slides were used. A spoon shaped device could be inserted from the bottom of the machine through the payout chute to hold all the

Diogenes
Exhibit 2016 - Page 076

slides back when a jackpot was hit. The entire contents of the coin tube would then dump into the payout tray.

To foil these spooners, manufacturers first installed a series of right angle "gates" in the coin chute to prevent spooning. Later the electro-mechanical machines included a hopper to replace the old coin tube/slide combination. The new payout mechanism in the hopper design could not be cheated by spooning.

Rhythm Method

The Rhythm method of play, while not exactly illegal, was another way slot players could consistently win on the old machines. Widely used in 1948 through 1950, cheating by this method was responsible for a significant drop in slot revenue. Since the machine mechanism was not tampered with, casinos were baffled when machines began to pay more often than usual.

A timing mechanism that determined the length of time the reels spin had from seven to eight seconds after the last reel stopped before it went dead. During those few seconds, each machine had a "hold" count which varied from five to 25. By pulling the handle at the exact hold count, the player could line up the reel on the same symbol as before.

The rhythm player first memorized the positions of the symbols on the reels. Then once the desired symbol appeared on the last reel, hold-count could be determined after a few trial plays by counting a number in the five to 25 range and determining how many places away the winning symbol was from the pay line. They then decreased the count by the number of places the winning symbol was

down from the center line or increased it by the number it was up from the center line. When the exact hold-count was determined, they easily counted to that number and pulled the handle before the clock went dead to keep lining up the winning symbols.

Rhythm players became so skillful they could manipulate all three reels. Some even held schools to teach the method and sold pamphlets explaining the system.

To combat rhythm players, manufacturers installed variators. One form of variator was an extra gear on the third reel to vary its stopping time, thereby thwarting players who consistently won by timing their play. One of the first machines with a variator was the Jennings' "Tic Tac Toe" model introduced in 1951.

A reformed rhythm player, who has been working at various casinos in Las Vegas, received approval from the gaming control board as a key employee after his promotion to slot manager at a large casino. His boss indicated to the authorities that he had been running the operation and would continue to do so.

Another admitted slot cheat we know was a respected employee of a small manufacturing company in Las Vegas and has also worked for various casinos in the city.

Think about it. These reformed cheaters make excellent slot managers; they know who and what to watch out for to protect their employers.

Handle Manipulation

Both mechanical and electro-mechanical machines which were out of adjustment could be cheated by manipulating the handle pull.

Diogenes
Exhibit 2016 - Page 077

One way was called "walking the reels." If the handle was pulled forward in a rather slow jerky manner, it would jerk the reels a few places at a time instead of giving them the normal "free" spin. A few pulls could jockey the winning symbols into a payout position.

Another way was a quick, hard jerk of the handle after a previous win. As a result, the reels sometimes would not spin at all and the dumb machine would pay again.

A third method was to squeeze the handle as close to the cabinet as possible as you pulled it, which would allow you to "free play" the machine.

Players often broke machine handles using these tactics. But handle manipulation was risky. Casino employees or security guards would watch you carefully, and if caught manipulating a handle in any strange way, they would show you the door or call the authorities.

Handle manipulation faded from the scene when electro-mechanical and microprocessor machines became more sophisticated. The handle pull was no longer the triggering device for the reel spin. It was useless. It was retained and is still a part of the action because players resist change and expect a slot machine to have a handle to pull. Early computerized units without handles got very little play. Those with a handle that did not simulate the "clicking" sound of the old mechanicals also were avoided by players.

Inside Cheating

The problem of cheating is not confined to "outside" rings or independent operators. Nowhere else do you find such large amounts of money being handled in plain sight

24 hours a day as in the casinos (except at the U.S. Mint). The constant sight of thousands of dollars changing hands can be a strong temptation to a change person with a family to support, a cashier who might have staggering hospital bills, or even a slot manager who likes to "live high on the hog." Casinos constantly watch their employees to prevent theft. In the old days, casino owners and managers dispensed their own "justice" to dishonest employees. They were fired and sometimes encouraged by more drastic means never to steal again.

Slot managers used to be the top link in the security chain, responsible for surveillance of employees and verification of slot jackpots. But position does not always guarantee integrity. One slot manager succumbed to the temptation and decided to take an extra "commission." Since he only made large jackpot payouts, he was able to conceal his embezzlement for five years.

He would write out the tickets for a jackpot, get the money from the cashier and pay the lucky winner. Every day about five o'clock, he wrote a ticket recording a $500 jackpot and pocketed the money. A conservative calculation of 5 days per week (slot managers often work six or seven) times 52 weeks per year, times $500 comes to about $130,000 per year ($650,000 over five years).

How he was discovered, or by whom, is a mystery, but he literally "disappeared." He may be "retired" in a plush resort in Mexico or he may be "resting his bones" somewhere in the desert around Las Vegas.

Now, Nevada Gaming Control Board Regulations require casinos to establish internal controls acceptable to the Board. Casinos must describe all internal methods of preventing illegal activities during receipt and accounting of money, credit extended (markers), payment of jackpots,

Diogenes
Exhibit 2016 - Page 078

etc. Once approved by the Board, these controls must be strictly followed by the casinos. Gaming authorities perform undercover surveillance as well as frequent audits to assure that the state's and the public's interests are protected.

Controls usually include witnessing of jackpot payouts and hopper refills by two or three employees who sign or initial the ticket recording them. You will see this procedure if you hit a jackpot or your machine runs out of money. New computerized tracking systems are also being developed and installed by casinos to monitor the action on each machine.

One owner of a small casino frequently disguised herself as a change girl and worked throughout the casino looking for slot cheats or dishonest employees. When she spotted a slot cheat, she notified authorities to come in and make the arrest. When she discovered an employee sampling the take or a slot mechanic "rigging" a machine, she went upstairs, redressed in her owner's attire, returned and fired the employee. This method was quite effective for her small operation.

Gaming authorities would like casinos to report these dishonest employees for prosecution. Merely firing them leaves them free to find work in other establishments with another opportunity to steal. Authorities would also like to see their sheriff's "work cards" confiscated so they could no longer work in a casino. In case you didn't know, all employees are required to obtain a "work card" from the sheriff's office before being allowed to work in a gaming establishment, whether they work in the casino, at the hotel administrative office, or as a custodian, maid, or maintenance person. However, proper incentives for casinos to report the "bad apples" have not been

devised. It is easier and less expensive to fire an employee than to prove in court that he was stealing. Why should casinos bother prosecuting if there is little or no chance of obtaining restitution? And business is business. One casino doesn't often deliberately try to help its competitors.

Before you get the impression that all the casinos and their employees are "out to get you and your money" by any means possible, remember that most of these people are hard working ordinary people like the rest of us, trying to make an honest living. For instance, Anita Dixon, a maid at the Imperial Palace, was cleaning a room, and as she took off a pillow case, an envelope fell out. It contained $2,165.00 in cash! She was shocked and scared. She called the housekeeping office who sent a security officer to get the money. The hotel traced the owner through guest records and returned the funds. In appreciation for her honesty, Anita and her husband were treated to a dinner in the hotel's gourmet restaurant.

Impact of Cheating

It has been estimated that Nevada casinos lose at least 20 million dollars to cheaters each year. Figures cited at a recent gaming conference in Reno were even more staggering. A known group of cheaters, expected to be charged, was collecting an estimated $600,000 per day and sometimes as high as $1 million a day in illegal gambling.

Slot cheats deprive honest players and gamblers of the opportunity to hit the large jackpots, not to mention the money they spend in play that increases the size of those jackpots. Remember, the casinos place a portion of each

Diogenes
Exhibit 2016 - Page 079

day's "take" or "drop" on these machines into an "escrow" account for the purpose of meeting the big payoff when the jackpot is hit. If it is hit too frequently by cheaters, the casino, like any other business, will "build" the losses into the price of their products—jackpots. The "price" is the percentage you pay.

At a recent International Gaming Exposition, Chief Deputy Attorney General Dan Reaser of the Gaming Division in Nevada described the extent and impact of slot machine cheating. Some of the statistics he cited are astounding.

For instance, licensees in Nevada were recently asked to turn in the slugs they had taken from their machines. Only 25 percent of them responded, turning in seven and one-half tons of slugs! The next year nine tons were received! This quantity of slugs represented from five to six million dollars lost to slot cheats for slugging alone. Can you imagine how much money was really lost to slot cheats if you consider all the casinos that didn't respond?

Why didn't all the casinos turn in the slugs and foreign coins? Because they are taxed on the revenue, whether the coins received are phony or foreign. As an incentive for casinos to turn in these illegal "coins," the Nevada legislature was considering a tax exemption for casinos on these bogus coins if surrendered.

Deterrents to Cheating

CAN THE MANUFACTURERS DEVELOP A CHEAT-PROOF SLOT MACHINE?

The answer is "No." Whatever one man can do,

another man can *un*do. As one casino owner said about the purpose of a slot machine lock, "It's to keep honest people honest and keep the door from flying open and hitting you in the butt as you walk by."

However, manufacturers do try to develop cheat-proof machines. They now install timers in slot machines that clock each coin as it goes out. If a coin does not go out every six to eight seconds during a payout, the machine locks up and payout stops. The timer also locks up the machine if the switch is open too long, coins get jammed in the hopper, or someone inserts a wire to hold the switch open.

To counteract machines being cheated with magnets, casinos install reed switches and relays that "black out" the machine if a magnet is placed close to the cabinet. A former Gaming Control Board employee relates how one day a woman with a very large purse walked down the aisle between two rows of machines. She left a path of blacked out machines on both sides from one door to another, with security guards hot on her heels! That must have startled a few players! The magnet had to weigh at least 14 pounds to affect machines at that distance. Maybe she had plans to "attract" a Big Bertha jackpot.

In another incident a man had a magnet disguised as a roll of lifesavers in his coat pocket. As he walked past a row of slots, his coat floated toward the machines. Security guards had a good laugh about that one too.

You might wonder why they weren't arrested. It's not illegal to carry a magnet. But it is certainly illegal to try to use it to cheat a machine.

Even though casinos added these safeguards, they did not always help, as in the case of the slot mechanic working for the casino, who kept disconnecting the relay. When

Diogenes
Exhibit 2016 - Page 080

asked why, he replied, "Because it kept blacking out the machine!" Was he really that naive or was he also cheating the machines?

This brings to mind another incident of a casino being its own worst enemy. The casino had installed some promotional signs on top of its machines. Later, it removed the signs and forgot about the screw holes which were left open. Cheaters found that by inserting a drinking straw down the holes, they could trip the odds unit and repeatedly free-play the machines without inserting any coins.

Russ Scott, a long time employee at various casinos, tells us that about 20 years ago the Gaming Control Board held a school to educate casino and manufacturing personnel on the methods used by slot cheats. Suddenly, the cheating incidents escalated, so the school was discontinued.

Scott also related a story about a team of slot cheaters who used to drill holes in the sides of slot machines. The holes were then filled with plastic wood. Later, another guy came along, tapped out the plug and inserted a wire to set up the reels for a jackpot. This method of cheating is no longer effective since most of the mechanical reel machines have been replaced with microprocessor controlled machines.

There will probably never be a machine that cannot be tampered with in some way to collect an illegal jackpot. However, a higher degree of technical knowledge is necessary to tamper with the microprocessor designs. On the other hand, casinos and the gaming regulatory bodies don't always have the personnel who keep up with the "state of the art" or who have the expertise to determine absolutely *how* or *if* a machine has been cheated. Manufacturers continue to build in safeguards, but they are kept "top secret." Industrial espionage and reverse

engineering are real threats to their operations. Spies from the cheating rings, surveillance experts from regulatory agencies, and possibly spies engaged by the casinos could infiltrate a manufacturer's operations.

For that matter, engineers very often get a "better offer" from a rival manufacturer. We know of instances where some employees are paid an excellent salary (an offer they can't refuse?) and are tied up by contract for a number of years, whether they continue to produce or not, only because of what they "know" about a manufacturer's machine. Such an arrangement could be enviable for someone who is content to "have it made." But an inventive engineer who finds satisfaction in what he can create might find this situation restrictive, boring, stifling, or intolerable.

CAN COMPUTER AND ELECTRONIC ENGINEERS DEVELOP A COIN ACCEPTOR THAT WILL REJECT SLUGS AND WASHERS?

Electronic coin acceptors which will reject bogus coins are available. However, these acceptors are expensive to produce and sell for $40 to $50 each as compared to the old "reliable" mechanical acceptor that costs $7 or $8. Because of the ever-increasing competition between manufacturers, they try to sell machines as cheaply as possible.

One exception is with the dollar slots. Due to the weight of the silver dollars or tokens, the regular coin acceptors have a short life and must be replaced more often. Further, counterfeit dollars could really eat a big hole in the casino's profit, especially with the giant progressive jackpots now offered. And let's face it, if you had a hefty

Diogenes
Exhibit 2016 - Page 081

supply of counterfeit coins, which machine would you play? One with a jackpot of $1,000 or a *quarter of a million dollars?* By the way, that question was not a recommendation to try to use slugs, washers or any other substitute for legal coins. It was merely a hypothetical question to illustrate the logic used by slot operators worried about sluggers.

Now, let's examine that logic a little closer. If you were "slugging" a machine, would you take a chance on hitting a huge jackpot and have the stamina to undergo the "third degree" by casino management and their security if they opened the machine and found counterfeit coins in the hopper? Not only would you probably not get paid, you might be arrested. Even if you were "clean" (no bogus coins on your person) they might not believe you. Even if the good coins outnumbered the bad ones by a hundred to one, they still might not believe you. Only in court or on the official arrest record are you "presumed innocent until proven guilty." Also, some casino security guards are not known for their diplomacy or "soft touch" in dealing with suspected cheaters or thieves.

A slugger with any common sense would stick to machines that have jackpots automatically paid by the machine. That's one reason you will find very few machines that automatically pay a jackpot of $1,000 or more. Larger jackpots are paid by an attendant, and the payoff is witnessed in accordance with the procedure approved by the Gaming Control Board for that particular casino.

Also, sluggers face another problem. If the slugs jam the hopper during payout by a machine, the floorman will discover it when he opens the machine. So smart sluggers do not "fill" a machine with slugs because they would get them back in a reduced payout. Or if the hopper jammed during payout, they might have to abandon the machine before it is opened for fear of being caught.

CAN THE CASINO VERIFY THAT A JACKPOT IS LEGITIMATE ON THE NEW MICROPROCESSOR-CONTROLLED MACHINES?

Yes. If you hit a large jackpot that the casino feels should be verified, you may see them check the machine's memory chips in a small box called a "memory comparator." Master memory EPROMS for the machines are locked up and under tight security. (EPROM stands for "erasable electronically programmed read only memory.") The master EPROM is brought out and placed in the box beside the one from the machine being tested. A lighted "yes" or "no" indicates whether or not the memories match. If they don't match, you could be in big trouble, in danger of being arrested for cheating.

IGT originally developed the comparator in 1980 when casinos were becoming paranoid that cheaters could be substituting EPROMS. It was developed for use on 3 voltage EPROMS and in IGT's machines, but it did not work on the popular Bally E-Series slots, which used single voltage EPROMS, nor did it work on machines made by A-1 Supply or other manufacturers. Another problem with IGT's unit was that it required an AC outlet. Although most machines contain an AC outlet, when power was turned off to check the EPROM, it was necessary to use an extension cord to the nearest power outlet, often far away from the machine being tested.

Since IGT had no interest in marketing the comparator, this co-author developed several battery operated units to work on the various manufacturers' machines depending

Diogenes
Exhibit 2016 - Page 082

on the type of EPROM being used. Also, when the batteries were low in the comparator, it would indicate "no" so that a bad memory chip would not inadvertently pass the test. Crevelt Computer System, Inc. (CCS) sold many of these units to the casinos and to the manufacturers who in turn sold them to their machine customers.

When a casino suspects a jackpot is not legitimate or refuses to pay due to a machine malfunction, the Gaming Control Board decides whether or not the player gets paid. Slot players who have won big jackpots but are not paid because of a Gaming Control Board decision can appeal their decision to a district court.

Malfunctioning Machines

Casinos must be very careful about arresting suspected slot cheats. Dan Reaser, of the Nevada Gaming Division, told attendees at a recent seminar about one case which involved a player who discovered that a slot machine was not working properly. By manipulating the handle a certain way he could get the first reel to line up cherries for a win every time. Casino employees watched him for quite awhile before calling the gaming authorities. The agents also observed him for some time and then arrested him for cheating. The prosecutor later dismissed the charges feeling it would be difficult to get a jury to agree that what he was doing was really cheating or illegal. The man then sued the casino for false arrest and won a judgment for $25,000. The casino appealed and lost. The judge ruled the casino to be negligent in not keeping the machine in proper operating condition.

Another case recently involved a $5,000.00 jackpot

when a "little old lady" lined up three 7's on the pay line at a casino in Laughlin, Nevada. The board denied the jackpot, claiming a malfunction because one 7 was an eighth of an inch below the pay line. *An eighth of an inch!* She appealed. Clark County District Judge Thomas Foley ruled that she should be paid. The reason he gave, however, was that it would be bad public relations not to pay because Nevada depends so heavily on tourism. The case went to the State Supreme Court who upheld the district court ruling, also expressing concern for the state's image. The casino had to pay the $5,000.00 plus the attorney's fees.

SLOT PLAYERS, BEWARE! IF A MACHINE SEEMS TO DISPLAY THE SLIGHTEST IRREGULARITY DURING PLAY, LEAVE IT OR REPORT IT TO A CHANGE GIRL OR FLOORMAN FOR REPAIR. DON'T TAKE A CHANCE ON LOSING A JACKPOT OR HAVING TO GO TO COURT TO COLLECT YOUR WINNINGS.

All machines now have notices somewhere on them that "malfunction voids all plays." That means if you have a runaway machine (one that malfunctions and continues to pay more than it should) you will not be allowed to keep all that money. Our important rule bears repeating. If you hit a jackpot that doesn't pay off, and it is determined that the machine is not functioning properly (not necessarily because of cheating) you might not get paid. Therefore, we don't recommend that you continue to play a machine that is not working properly.

Incidentally, if a machine malfunctions by failing to register all the coins you have played, notify the change person and let a floorman check it for you. Generally, the casinos will reimburse you without question once or twice.

Diogenes
Exhibit 2016 - Page 083

But if the machine continues to "steal" your coins, the floorman will probably shut it down until a mechanic checks it out.

Let's stay with the subject of malfunctioning machines because the problem seems to happen more frequently than expected, especially in the case of big jackpots. As we've just learned, the dispute between casino and player often ends up in court. Here's still another example.

Recently, a U.S. District Court in Philadelphia awarded 1.1 million dollars to a player after a dispute of two and a half years with an Atlantic City casino over a machine malfunction.

The player had to sue to collect the jackpot he hit on a video slot machine. The machine he was playing appeared to be malfunctioning before lights flashed and music blared and four winning symbols lined up on the screen. Then the symbols disappeared during an electrical malfunction.

The casino intends to petition for a new trial. If the notice about malfunctions voiding all play was properly posted, it could be interesting to see if the courts reverse their decision.

Another case of malfunction presented an interesting basis for litigation. In a downtown Las Vegas casino a man hit a progressive jackpot for $137,000.00. Unfortunately, the jackpot display had malfunctioned. It was supposed to read something like $1,187.00. The slot manager was livid. The jackpot had been read and recorded at the "correct" amount less than an hour before it was hit. The casino wanted to pay $1,187.00. The player is suing for $137,000.00. Interesting questions: *Does the progressive jackpot display for a bank of progressive machines constitute advertising and enticement to the player, who then invests money with a view toward an "advertised" possible gain? Or does a malfunction notice on individual machines also apply to the electronic display?* The real winners in this lawsuit may be the legal beagles with the most creative arguments.

Security

When you visit a major casino for the first time, note the large black "bubbles" hanging from the ceiling at various places. These bubbles contain video cameras that are focused on different areas to monitor slot machines, table games, change booths, etc. Behind the scene in a closed room, security personnel are employed around the clock to do nothing but watch the video screens to detect possible cheating.

John Stroup, slot manager of the Flamingo Hilton, demonstrated how he can zero in on any area covered by the camera from the monitor in his office. However, he cannot move the cameras himself. Only the director of security can do that for him. Otherwise, he might interrupt an important bit of surveillance at the wrong time.

Slot cheats apprehended have claimed that these cameras can be disabled by a special laser gun fired at them. Can the camera manufacturers develop a laser proof camera? Anything is possible if the need becomes urgent enough. Needless to say, improved methods of surveillance by casino security and beefed up law enforcement are needed to catch slot cheaters and to prosecute them.

Most of the losses are experienced by the state of Nevada. However, New Jersey has three times the manpower for law enforcement. Today, Nevada has 365

Diogenes
Exhibit 2016 - Page 084

employees and seven prosecuting attorneys for the whole state. New Jersey employs three times the manpower and 29 prosecuting attorneys for only eleven casinos.

A good reason for this difference is that in New Jersey, gaming regulations require an agent to be in each casino during all operating hours. Casinos have to pick up the tab for gaming agents to be on duty in the casinos. Nevada does not have the same requirement. The combined budgets for the New Jersey Casino Control Commission and the Division of Gaming Enforcement total 41 million dollars or approximately two percent of the annual casino industry winnings.

Over a period of five years Nevada officials investigated 12,000 cases of cheating, but only 1,200 were referred for prosecution. No statistics are kept on the number of convictions.

Manufacturers have also had to increase security to prevent unauthorized access to their machine schematics and computer programs. One company learned the hard way when it was consolidating its Las Vegas and Reno operations. Employees from both areas were in and out of both facilities and no identification controls had been established.

One day a gentleman in a business suit walked in the back door and into the document control office. Without identifying himself, he asked for the drawings and schematics on their latest "XYZ" machine. He received the documents with no questions asked. He left by the back door, walked around the building and into the front door. There he identified himself as a gaming control agent and asked to see the chief engineer. Without a word, the agent handed the engineer the documents. The engineer's face turned red, white and probably blue in that order registering embarrassment, fear and anger. "Where did you get these?" he demanded. Not only did he learn how easily they were obtained but he received a severe lecture on the lack of security.

Any slot cheat in a business suit could have received those documents. That manufacturer (who will remain nameless to avoid embarrassment) quickly instituted one of the most stringent security and procedural control systems in the manufacturing industry.

The perils of acquiring the needed expertise for development of the sophisticated technology for today's burgeoning gaming industry are more numerous and dangerous than those of the legendary "Pauline." Finding someone with the knowledge and experience coupled with the business ethics to honor proprietary rights is not easy.

One manufacturer hired a university professor to program their "Race Horse" gaming device. The machine worked well, passed the Gaming Control Board's restrictions and trials and was reportedly making money for the casinos and the manufacturer. Then, for no apparent reason, the machine started losing money. The casino called the manufacturer who checked it out and could find no explanation for the change. The manufacturer decided to stake out the machine and observe the action to see what was going wrong. After several nights, the professor came in, played the machine awhile and was winning heavily. When confronted after several such wins, he admitted that he had found a "bug" in the program. He discovered a pattern at which the horse paying 100 to 1 would consistently recur. Instead of reporting it to the manufacturer, he was using the information to line his pockets with silver. The manufacturer quickly corrected the lack of random selection of winners in that program.

Diogenes
Exhibit 2016 - Page 085

This professor's programming days for gaming projects are probably over. The manufacturer is also out of business and these machines have since been replaced by other manufacturers' models.

There is a constant "seesaw" with the casinos and manufacturers on one end developing "FOOL PROOF" electronics to protect the machines and the slot cheats on the other end literally going to school to learn about RAMS, ROMS, microprocessors, electronics and computer programming so they can "FOOL" the smart machines.

Can't you just see the curriculum? Scoff-Law 101, Basic Wiring 102, Creative Magnetics 104, Beat-the-Clock 123, Laser-Camera Interface, and Black Box Building for Successful Cheating. If you flunk practical experience by getting caught, take post graduate work in Finger Pointing and Plea Bargaining for Self Preservation. But don't forget your doctorate in Establishing a New Identity!

Seriously though, the Nevada legislature has enacted regulations for stiff penalties for those convicted of cheating. You could be sentenced for five to 20 years in prison and fined from $25,000 to triple the amount of your cheating gains. Cheaters can also be required to forfeit anything used in cheating operations, including homes, cars, boats, mechanical devices, etc.

So, if you have any idea of trying to cheat the machines, forget it. As John Gollehon advises in his book *All About Slots and Video Poker,* three things you leave at home are "slugs, washers, and your Black & Decker drill." After all "losing a few dollars beats losing a few years."

CHAPTER 9

Regulatory Safeguards

"All gambling is crooked."

"All gambling machines and games are rigged."

"You can't win the big jackpot."

"If anyone wins a big jackpot, he's probably a front for the casino or the crooks who run them."

Have you heard these or similiar remarks? We have. They're prevalent throughout non-gaming states. Perhaps, you have wondered if they are true. How honest are the casinos? Are all slot machines rigged? A brief explanation of the regulatory safeguards designed to protect the public may reassure you somewhat.

Federal controls are minimal. The federal government

Diogenes
Exhibit 2016 - Page 086

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Diogenes
Exhibit 2016 - Page 087