



Race Track Industry Program

**33rd ANNUAL
SYMPOSIUM ON RACING & GAMING**

WEDNESDAY, DECEMBER 6, 2006

EVENT MARKETING: IS IT WORTH IT?

Moderator:

Joe Witterschein, Vice President, Marketing Services, The Innovation Group

Speakers:

Jim Rafferty, Principal, Rafferty & Associates

Ronald Sultemeier, President, Delaware North Companies Gaming & Entertainment

MR. JOE WITTERSCHEIN: My name is Joe Witterschein with The Innovation Group. I'd like to welcome everybody to this morning's session. Trying to move the PowerPoint forward — there it is. I'd like to introduce two distinguished gentlemen on the panel.

To my far left is Jim Rafferty. Jim is the principle of Rafferty and Associates, a full-service consulting firm that provides marketing and advertising programs for racinos and casinos throughout North America. He has held numerous senior management positions recently with Delaware North Companies as the vice president of marketing at their Wheeling Downs facility in West Virginia. He has also been senior vice president of marketing at Harveys Casino Resort, and originally started in gaming with a human resources background at Harrah's Showboat Casino in Atlantic City and again at Summa Gaming in Las Vegas.

He is a UNLV Hotel School graduate and also one of the few people in the world that roots for Rutgers football as an MBA Rutgers graduate in New Jersey.

The gentleman to his right is recognizable to many of you. This is Ron Sultemeier of the Delaware North Companies Gaming & Entertainment division. He joined them in 1994, has over 30 years experience in the gaming industry. He is responsible for Delaware North's operations at Southland Greyhound Park, Phoenix Greyhound Park, Daytona Beach Kennel Club, Finger Lakes Gaming and Racing in New York State as well as Wheeling Island Racetrack and Gaming Center, West Virginia. In his spare time he serves as director of the Thoroughbred Racing Associations, and past president of the American Greyhound Track Operators

Association, Advisory Council member here at the University of Arizona Race Track Industry Program, and in his additional spare time the current president of the World Greyhound Racing Federation.

I'm glad you could find time to join us, and I'd like to start with the panel. Jim?

MR. JIM RAFFERTY: Thank you. Welcome all of you. Sorry my technical glitch got us a delayed start.

The question today was: Event Marketing: Is it worth it?

I'm a presenter and here we go. I'd like to talk first with a resounding yes on yes, it's worth it. And I'll give a couple of points and review them.

The first thing, trial. Getting new people to the property is what it's all about in event marketing. And you need, and particularly racetracks in North America, need new customers. It also helps set the tone for your property.

As you advertise your racino, racetrack, casino, you need to be aware of the place that's happening. And we'll get into details. Customers like invitations and they like the social opportunity of events, and we see that in research throughout town now. It feeds your brand. Whatever your brand is, events help position that in the customer's mind. And we'll talk about that a little bit more.

And, finally, it's genuinely fun. And that's going to be a big theme of today's program, how do you make it fun? Let's talk about first, what are special events?

And I call two classifications one: The classics, shows, concerts, tournaments, giveaways, and all the promotional things you might do. Festivals, wine, retail, New Year's Eve, the granddaddy of all events, and the famous Derby Days. We'll talk about that more later.

Customized events. And Ron and I have to work through some of the programs you are all too familiar with, Polka Wednesdays. When I was at Harveys in Council Bluffs, Iowa, we had a racino there, Bluff's Run, and there was a great marketing guy there, Johnny Gomez. And Johnny was a longtime accordionist and entertainment guy. He started a program called Polka Wednesdays. Two o'clock in the afternoon a polka band starts playing in the middle of the casino. And it was bedlam on Polka Wednesdays at Council Bluffs. Hundreds of people, one of the best bus days we had, it was a fabulous program, really helped our drive that day and made Wednesdays. Polka Wednesday. I thought it was a little bit goofy at first.

But when I went to Wheeling Island Racetrack and Gaming Center I said we should do Polka Wednesdays, in the best spirit of a marketing guy stealing an idea. And, of course, Ron said, "That's crazy."

I think they are still doing Polka Wednesdays to this day. This was five years ago or something.

MR. RON SULTEMEIER: We're still arguing over the food.

MR. JIM RAFFERTY: Well, they added a Polish buffet. Polka Wednesdays continues to help Wheeling Island, Bluff's Run, and gets a unique crowd that loves to polka.

I told the people from Mountaineer that I was going to sing their praises because as a racino they do a great job, and we competed against them for many years. And I went to an event there called the West Virginia Derby, which was a special Derby, \$700,000 purse, and it was just a fabulous madhouse of a special event. Something they solely created. I met the woman yesterday that created it. And it was a fabulous special event. We in the racino business have these natural special events. The Triple Crown, like three additional holidays on the calendar. And you can go out and create additional events, the West Virginia Derby being one. I thought it was a fabulous day, and I know it helped Ted on his bottom line.

We did a program at Resorts in Indiana and we started a Charles Fay birthday celebration. Anybody know Charles Fay? He is the inventor of the slot machine in 1903. He invented the first mechanical machine in San Francisco. A great guy, a great inventor, and a guy that has contributed a lot to my life. So we celebrate Charles Fay's birthday. Some casinos celebrate it and we built a great special event about the history and life of Charles Fay, and I think they are still doing it.

I did a program with Bill Cosby, a charity event, when he was at Harveys. He was our corporate spokesperson. And we ran Bill Cosby concerts throughout our four properties. Anywhere he went the proceeds went to charity. It was an interesting twist on a special event. We brought in a different charity and had new business associated with the charity. And I think we need to look at charities and a combination of charities and special events, and I've had some success with it.

Last year I went to the Mohegan Sun Wine Fest. A fabulous event. Tens of thousands of people, wine from all over the world. A fabulous thing.

Let's go back through the key points. Trial, and what special events do are allow you to address a new business. You go in the database, find people like the event, but advertise it retail-wise to all new people.

Peter Drucker — I'm a big fan — he just died this year. One of the great management thinkers of our time. He wrote, "The sole purpose of a business enterprise is to create a customer." And everything else beyond that is just administrative. We serve the customer, we create a customer, and that's our primary role in business. Without them there wouldn't be a business.

If that's the case then I want you to think about this for a second and take a

step back. And I've written four headlines about when you are going to tell your significant other when you get home about the conference. And there will be four, you don't have to announce it, you don't have to write it down. Which ones fit what you have experienced so far?

The racetrack industry, the only way to pull itself out is through intense capital infusion that comes with slots. Is that going to be the headline that comes out of this conference? Or, racetrack management in America needs to get out of the caretaker mode? We've heard some speakers say that. I'll talk about that today a little bit.

I wish I lived in Tucson. This is my personal favorite.

And, lastly, the racetrack industry has a bright future because the Baby Boomers are going to love going to the track when they are 90. And I'm part of the Baby Boomer generation. There's a bunch of us, and we're going to have a lot of income and live forever. Well, not me, but most Baby Boomers because of the health care, etcetera.

So the question is: What's the headline that's going to come out of this conference for you? And I think — we talk about special events. I would point the answer might be B. Racetrack management has to get out of the caretaker mode, be more aggressive, and I think event marketing can do that.

And Drucker also said, "Don't confuse activity with accomplishment."

Everything we do has to make sense from a business point of view. As I go around the racino business I talk to many general managers and owners. It's just fatiguing, the big facilities and trying to keep them up and fight every day of your life for the capital necessary to keep the bathrooms right and the place looking new. It's tough for racino operators or racetrack operators particularly. It distracts us from doing what I think is the important duty of marketing.

We must become creative, and creative marketing is the message I'm trying to get to. Doing events is doing something, and we have to get on the move and do something, rather than being tied to the albatross of the properties. We must act and we must act now.

We have to stop wasting time complaining. I rewrote this yesterday. There was a lot of complaining about taxes. Taxes are enablers and that's it. That's what we are going to do. I don't think we should spend time talking about them.

We've tried that before. As a marketing person and consultant, all the time in management meetings. And people say, "In '64, we tried that, and I don't know if we should try it again." Complaining that the slots get all the marketing dollars that happens all the time.

The only tests that count are, does it make money, and does it drive

headcount in event marketing?

Let's go back to point number two. Events set the tone of the property.

Racinos should capture part of the consumer's mind — that is an old expression. I think it's an important item talking about marketing. The customer holds us in a place in their mind. Like places that are friendly, do they think of your racino, casino, racetrack when they think of friendly places? Do they think of your racetrack when they think of where the action is? Do they think of your racetrack as places you can win big and customers want to win big? Do they think of your racetrack when it's time for places to have fun? Our businesses own pieces of our customer's minds. To be fun is really important in that decision-making process.

Your customers enjoy getting invited whether they come or not. One of the things we found in direct mailing, you send them one invitation, you send them two, the third one is the sale. It's a progressive model to get people involved with your property. Don't underestimate the power of the invitation.

Event programming in America is firmly targeted at young males, and that is a huge opportunity for the people in this room. Our target is older than that. There are not a lot of good entertainment options for older Americans, Baby Boomers. It's up to us to take advantage of that by programming like we can do in the racinos. Customers will respond to a good offer, exactly at the right time, exactly at the right moment with a good offer.

My experience is, customers appreciate the invitation. Make it personal, make it fun. Your brand needs help, another reason to do special events. Your brand needs something.

What does the name of your property mean to the customers? I would tell you that the racing industry has long relied on two elements: The fact you can win, the majestic nature of the horse and the beauty of the dogs. We have to move on. That can't be the only paradigm that brings people to the properties. We're going to lose.

Events are a better way to utilize the great places that we operate. Great places with great parking, big bathrooms, big bars, lots of places to do it, so oftentimes we need to fill it up. Adding great special events, even if you just add 10 or 12 next year, one a month. You will see a significant change in the program.

Finally, it's about making it fun. Those of you that come to the conference — it's the 33rd, my first. I understand why people come to the conference. It's fun to reinvent yourselves. How do we do the same things at the properties? Make it the place to be fun in the customer's minds. The question remains. If your boss or owner called you tomorrow and said, "In 2007 let's do something different. Let's just have fun." What would you do? How would the behavior change out of the conference? How would you change the business plan?

One of the first alternatives would be to sit down with the team and say, "How can we make this more fun for our customers?"

And that's my message here today.

Thank you very much.

MR. RONALD SULTEMEIER: You're probably going to have to question everything I have to say today. Unlike Joe and Jim, I'm not a marketing person. I'm a finance guy turned generalist. Saying that, I have opinions on the topic and spent the first two hours of this morning on pure marketing and nothing to do with this one.

One of the other questions is: I lived in Tucson for about eight years in the mid-'80s and was smart enough to leave here, to be in Kansas City and Wisconsin and now Buffalo. You wonder about my choices here.

But you missed a good opportunity when you were introducing Jim, because I always have him down as the "King of Polka Wednesdays."

One of the highlights when you introduce Jim. It's high up on his resume and it's an event we are still doing.

MR. RAFFERTY: We're proud of it, actually.

MR. SULTEMEIER: Right. Jim and I spent a little time in Vegas last month and we were talking about this panel, and he said what he was going to talk about. And I said, I may have a little spin on it. And he said, "No, Ron. You're not going to get up there and refute everything I say, are you?"

And I said it would be boring if we went up there and said the same thing.

Special events are great. Who can question that? To a degree. And I'm a big fan of them. We talked this morning about holding a lot of events, and we have New Year's Eve parties, gaming parties, racing parties, tents set up, we do all that. The concerts, all of that. But I'm going to give you other examples where you can get in trouble with events.

One of them I'm going to use — was sent to me by Jamie Hartman from Saratoga Gaming and Raceway and one of their successful special events, Countryfest. Saratoga is a harness track that runs year-round. They added gaming three years ago so they are year-round, 365 days a year with their gaming, and have a great facility. They have had an event going on called Countryfest — for how many years? Ten years. And wildly successful. Huge crowds. It packs them in — held in July, 30,000 attendees. And when we first came in and we do consulting on the gaming and food and beverage operations, we came and the client said, I don't think we ought to hold Countryfest anymore. And they said, "Are you crazy?"

We'll go back to the tax rate deal.

There's no way you can make as much on the gaming. A lot of new people. Some things that you heard Jim say and made a lot of money for the facility. Those are the pros and those are easy to understand. Looking at the cons, the track is located in a neighborhood area, it's not a get off the freeway and pull into the racetrack. There's two-lane roads leading to the track and neighbors surrounding it so there's disruption.

The community bought into that. It wasn't a case that the community was screaming, "Don't have it." There were negatives but they lived with it.

The second one is my major focus. It can be very disruptive to the regular customers and certainly was. We gave out coupons, had a special party, invited guests. Gave them free tickets to the events, a \$30 ticket. So we tried to make it welcoming for the regular gaming customers. And we figured a lot of people would come early, stay late, and visit the gaming facility. And there was some of that, but not a lot. The weather, liquor issues are things you face with any large special event.

Here are some shots of the event, just to give an idea. Again, it's a harness facility. Not as large as some of the big thoroughbred tracks. That holds even bigger events than this.

A lot of people, rain getting ready to start, people starting to scatter. That was the last year it was held. Skies opened up, poured, turned a little rowdy, fights breaking out as you tried to move people into covered areas. Got a bit rowdy, the mud people, wet T-shirt contests.

And some of the guys in the audience are saying, "That's a problem?"

But it got a little out of hand and there were some issues with it. Clean-up, day-after shots, all of that goes with having an event like this. The end result of this after a couple years were, no, we're not going to continue with this, as wildly successful as it is. And, again, you may say 100,000 versus 30,000. That's a lot of money to give up at any operation and especially in today's age of needing all that profit. But it was very disruptive to the regular gaming customers and that becomes more and more important.

It's one thing at a seasonal racetrack and you say, we're down for three months, let's hold some events. They can be huge events. They aren't disruptive. At most it may be disrupting simulcast customers. We bring them around a side entrance, take care of them, get them in the facility. When you go year-round it gets tough making the decisions of what is a great event that the people will like and come in for. What's an event that gets so large that it becomes disruptive to either your racing or gaming customers? And that's something you have to weigh.

Other examples, Erie County Fair. Buffalo Raceway ran a seasonal meet, added gaming, and we put a thousand machines and run 365 days a year during the fair; and it's the largest county fair in the United States, I believe larger, brings in over 1 million people in the 10-day run.

Those 10 days are the worst 10 days for gaming at that facility. The regular customers can't get in this. It's not going to be a displaced. It's a live with it, get coupons out to the people parking and try to accommodate them during the special event. That is too large, it's disruptive.

Albuquerque Downs at Albuquerque during the State Fair, 17 days, those are the worst 17 days for the Fair. You would think you'd get those people to the gaming facility. You get some that come for the racing. It's a good time for racing there, but the gamers don't like the disruption, the traffic issues, and it's a tough time. Others that may come up or other facilities.

Jazzfest in New Orleans. Fairgrounds doesn't run year-round. If they add the gaming and go year-round they are going to have to face the issue. How do we deal with getting gaming customers in during Jazzfest? It's going to be an issue.

So when they get so large they are disruptive you have to weigh them, look at it, and decide if it's good on a long-term basis. Saying that, Jim, you don't have to worry. I'm a full believer, even in the Polka Wednesdays, the bingos, special events, all of that. They are great. You need to bring them out there for the trials, but you need to look at what they do to certain populations. Racing, gaming, or anything as you weigh that.

One other point Jim touched on, but I would like to get into more of the program. Is it worth it? We talked about the generalities of bringing out new people. Trial visits to the property expose them to something they might not have come for otherwise, or special events that your existing customers like.

Jim, how do you measure the value of a special event. One-time or ongoing?

MR. RAFFERTY: Go back to the garbage. You have to do the numbers. It has to be a good business judgment as Wheeling Island. Post pro forma on whether or not it's profitable in the whole context, not only for the people that came but a good day for the facility. There's a number of those analyses that are important.

One thing I would add, I think, you have to look at talking about the fairs and nobody coming in during the fairs. The fair precedes the casino. You can't win that battle. I think you have to account for those things in the pro forma, too.

MR. SULTEMEIER: You certainly have to look at it anecdotally, listen to the customers, hear what they are saying. It's easy to look at the numbers and easy to look at the cost, talking about the pro formas and post formas; and we didn't do that for many years. We held an event, that was good or that was disappointing. Very casual about the events. Then, wait a minute. We need to weigh these. You

have the marketing budget. One million dollars or \$20 million to your facility. Where are we getting the value?

We started doing the pro formas, post formas to analyze these. It's easy to come up with your cost. You sit there and say, we have our advertising, the cost of the event, clean up, the extra people we needed to bring in to carry off the events. Those are the easy things. It gets tougher on the revenue side. You are looking at the incremental revenues and you have to make good assumptions. Wow, we did a million-dollar day when we normally do an \$800,000 day.

Is it that simple? Or is it a case, well, you change some from this day to that day, and weak the day before and after? You have to make hard decisions about the true incremental revenues. There's not many special events that you turn down. They really do work.

Joe, you've held a lot of these and analyzed this, too; and in general they do work for the facility.

MR. WITTERSCHEIN: I think Jim's analysis is good particularly post forma. When you do that you bring together staff and marketing staff and security staff and IT people and food and beverage people. Their honesty and opinion on an event tends to be shaded. It's important to include customers in your postforma, and that's the way to change a negative to a positive.

If you have displaced gamers, regardless of kinds of events, it's important to invite them back in to a panel discussion to hear them out. You may already know how they feel, what they are going to say, but the exercise of doing that allows them to participate. And they may say something that will impact what may or may not happen with that special event next time.

MR. SULTEMEIER: You can do that focus group before or after. They are great to do, they may come up with issues as you are going into it, especially on the larger one. And give you good pointers on that.

MR. WITTERSCHEIN: If you can take away one element. Always have the voice of the customer engaged in your operation. And that helps with the cost of switching. If there's competition from another gaming venue, those customers are making choices about what they are doing with their time and money. If they feel you are listening to them, they feel they have a stake in the operation, almost like a shareholder.

MR. RAFFERTY: You know, it's not always about the cash. For example, Harveys, we were the operating partner of Hard Rock Casino in Las Vegas. So it was a 50-50 partnership. I was working with the marketing guy, and said one day, we have a great room in the facility called The Joint. About a thousand people. They called up and said, "We're going to do the Stones in The Joint."

And I was like, Mick Jagger? How much is Mick Jagger and the Stones? It's

a million dollars. So you can do the math? A thousand people. There was no way ever you would get the money back.

But his view was, and at the end of the game I think he is right. This is about the brand. Hard Rock, it would not be the Hard Rock without the Stones playing The Joint at one time or another. It made sense. It was enormously successful for years. And I think he was right. Individually, they all don't have to make sense.

MR. SULTEMEIER: That's a good point. We've done some concert series that you can absolutely say on a given event this can't pay off. You're going to give away a lot of your tickets. And it's one thing to say we're going to weigh their play and see if it makes up for it. They may not. It may be so expensive, but you have set a tone at the facility.

I'm sure you get different reactions from people. Like Gulfstream on their concert series. Was that a success or not? From a handle standpoint, no. But maybe it re-established them as an entertainment place and set a tone there are things other than racing. We talk about our tired old product. We need new people in the places, and setting that tone is important.

I'm going to turn it over to Q&A. And I think this is one area — a lot of time you finish a panel and there's no questions. You have to have had experiences, how often you can hold them? Can you come back with a successful promotion two months later? Any questions?

MR. WITTERSCHEIN: I'll pass the mike around.

A VOICE: You don't hold it anymore?

MR. SULTEMEIER: This last summer we didn't hold it. They had four headliners or so. Major entertainment.

A VOICE: The radio station did ticket sales. That was the unique part of it. The radio station did all the marketing. We didn't spend any marketing dollars. That was cost effective for us. The radio station had two big kickoff days where they sold two for one tickets. The way it worked the ticket sales paid for the performers. Children 12 and under admitted free. And ticket price last year, two for one. Two tickets for \$30 prior to the event.

Then prior to the event you can buy tickets for \$30, and the day of the event they were \$35. Total ticket sales would pay for the talent. And the other thing, kids 12 and under were free. We did a massive food and beverage. And that's pretty much where we made our profit. A lot of the food and beverage — we didn't have the personnel, we had not-for-profit staff the booth. Eight to 10 of them, and we gave them 10 percent of the sales. It was a good marketing thing for the track.

MR. RONALD SULTEMEIER: And it was very low risk. You talk about the weather

and all that, but it was actually a low-risk event because of the pairing with the radio station. You know that even on a rainy day you are going to make money. It wasn't a monetary decision of losing money with rainy days. It was a great event.

A VOICE: What about if you went with just one headliner?

MR. RONALD SULTEMEIER: Could be, and we haven't discussed that. I don't know if you have had those discussions, Skip, is there a way to scale it back where it works for the property? You do have the one headliner events at others. We do country concerts at other places that have that, and it's easily manageable. So maybe it's a don't-be-quite-as-successful issue.

A VOICE: The Countryfest moved to another location. It got so big that they wanted to keep the event on that scale and they moved it to another location rather than stay with us.

A VOICE: Did you book the performers?

A VOICE: The radio station booked all the performers and the unique thing, we've had big names at the track. We had U2, prior to that we had New Kids on the Block, we had Bon Jovi. We had like one big concert a year. But the radio station booked all the talent. And the unique deal about dealing with country performers, they go out of their way. They have all these meet-and-greets with the fans. The radio station gets them for a below-market price because what the radio station does is they play all their music for maybe two months, they get them for fair prices. It's a big thing.

A VOICE: I think the big thing that Ron pointed out is the liability issue. Our liability when we had that rain with the fights that broke out and the track was basically trashed. It took us a week to clean everything up. People went inside to the gaming. Took us a week or two to clean up the carpets. The place was a muddy mess. You're always afraid. And the drinking is borderline out of hand. I think we did over \$140,000 in beer. It's a huge drinkfest.

MR. RAFFERTY: Sounds like fun to me.

A VOICE: Somebody gets in an accident on the way home and their family is killed or something, you're liability issues are overwhelming.

The other negative, we have a staff not used to doing an event. It pushes the staff. The staff for that week getting set up. And it stresses the staff because you do this event once a year. We got pretty good at doing it for 10 years, but I wasn't sad at seeing it go.

A VOICE: What's the estimated cost for your staging?

A VOICE: The staging was, we hired a promoter and we paid him a fee. I'm going to say twenty-five to thirty thousand. And he set up everything and he came with

all the bands and he was great. I can give you some of the information if you are interested.

A VOICE: I think Jim is making notes about adding kegs to Polka Wednesdays.

MS. ROSE ROSSI: Hi. Rose Rossi, Rocky Mountain Turf Club. I'm from Alberta. Weather is a problem, wind is a problem. Another problem, we hold a large amount of events, chuck-wagons, concerts. Ron Sakamoto is the international marketing person for like Shania and brings those people in. What I find, when I hold these major big events outside, is that I don't have — it sort of turns away the gaming customers. As soon as they see the parking lot full, it's like, "We're not coming in." I lose them. The slot machines become empty, and I'm losing the revenue.

One of the other events that I host twice a year is huge pool tournaments. We have I don't know how many teams; bring in the pool tables; you have them for three days; they don't leave; they eat, drink, and play the machines. They drink, not too out of hand. One of prizes is to go to Vegas to the World Pool Tournament. So I was trying to find the happy medium. Which we can't give up chuck-wagons and things like that for the sake of the community. We are kind of connected to an Exhibition, which also has their events. We run into the parking problem and scaring off the customers because they don't want to fight to get a parking spot.

MR. RAFFERTY: Some similar problems that especially fairground-type operations have. Racetracks on fairgrounds have some of those things holding special events, agricultural exhibitions, and the parking is a big issue. If they don't care about the event, that's fine; you can hold it and have other entrances. It's the access to the facility that can be a problem. Saying that, you have to weigh it, make a decision, and maximize the value of the new people coming to the facility and try to expose them to the facility as much as possible.

At Harrah's Marina it wasn't on the boardwalk, it was in the Marina District, which is new. They were struggling. Now it's a huge winner for 25 years. They kickstarted the property by doing fireworks every night in July of '86 or so. And the guy from Harrah's in Reno called John Allen. There's thousands of people outside watching the fireworks, there's nobody inside. And he said, "Before the fireworks nobody was here."

And that was the point it really kick-started the thing. You have to weigh and balance the thing. I'm saying, sometimes it can be powerful.

There was a question back there?

A VOICE: I was wondering, do you do anything with coupons and incentives for the patrons of the event to get them gambling? If there's like a microbrew festival, they stay there and it's like two separate events going on and they never get introduced to the gambling aspect of it.

MR. RAFFERTY: Usually bounce back is how I use the coupons, not to get them in necessarily. I've had some good luck with bounce back and usually do it at almost all special events. Come back a week later and get a special deal.

MR. SULTEMEIER: Rose mentioned pool tournaments. I know we're doing it at the Phoenix track, poker tournaments. Is that working for anyone? I think you have places that have the poker rooms but, that's obvious. In some cases the charity poker events can be a good event to have at the track.

A VOICE: Other than the large racing days, what types of events do you find that work to combine racing and gaming? Do you find most of the time you segregate them?

MR. RAFFERTY: The question is: Is there a tendency for the success of the event based on — what would be the word — based on segregation.

Combine them is my answer. It's circumstantial. Depends on the event and the time of the year and a bunch of things. We are, from database point of view, we're fairly exclusive about who we invite. We exclude a lot of people and invite other people with value. With big special events I'm more inclusive so it's really circumstantial.

A VOICE: Do you find gaming marketers are more reluctant to devote their energies to racing events because of the difficulty of it?

MR. RAFFERTY: Yes. Are the gaming marketers more reluctant to do racing events? Yes. I don't necessarily agree. The slot guys want to do slot program and don't want to focus on track-based events. You have to try both. That's the answer. Embrace the great additional product that the track is.

Thank you for coming.

(Applause)