

I was born on December 24, 1899, in Boston, Massachusetts, when I was about five or six years old my parents moved to Detroit, Michigan. During the time that my father and mother were first married in Boston, my father had a barber shop, and he conceived the idea of furnishing barber towels to barbers. This gave birth to the linen supply business which has become one of the big industries of our country. He started with barber towels. When we moved to Detroit, he bought rolls of material and my mother cut and hemmed them into towels. My father had a horse and a wagon, and he went out and got barber shops to rent their towels from him instead of owning them; and as I said, that spread from towels to other items and it became what we know today as the linen supply business. The name of his laundry in Detroit, his plant, was the Massachusetts Laundry Company, and I guess he got that name because he came from Boston, Massachusetts.

-My father's name was Barney Dalitz; my mother's name was Anna Cohen.

(So, your father got set up in the laundry business in Detroit...)

In about 1907. And, it grew to be a very successful laundry and linen supply company. I was raised in

that business and I worked during school vacation. During that time I worked for my father and uncle, Nathan Dalitz---they were partners.

(What was Detroit like at that time; was it small, horse and carriages?)

Detroit was considered "out West" by the people in Boston.

(Detroit is where you spent most of your childhood...)

Yes, I went to high school there. I went to Central High. It now has become the Wayne University.

(About how many barber shops did your father supply?)

Oh, they built up quite a business. In those days barber shops were numerous because there were no safety razors, don't you see? Now when you go to a barber shop, you get a haircut. In the old days, you see, barbershops ^{were} patronized daily.

(Did you actually deliver the towels daily?)

Yes.

(Was it a home based operation?)

No, we opened a little plant. The plant grew, expanded. Other people went into the business and finally they branched into the industrial field renting such items as shop aprons and shop towels and industrial gloves and this became a big business. Coveralls to gas stations, uniforms, waitresses' dresses.

(Did your father actually oversee the whole business?)

Oh, they worked, (father and uncle) both worked. And, in about 1921 or 1922 they sold the business to retire and move to a little city called Ann Arbor, Michigan. It had a population of five thousand. And found that he had too much time on his hands, so he bought a laundry in Ann Arbor, Michigan which he called the Varsity Laundry. They operated that in sort of semi-retirement manner. I had charge of their linen supply department, and worked there for nine or ten years.

(How old were you then?)

About twenty years, from about 1920 to 1928 or 1930, then I moved to Detroit where I stayed for a short while and then moved to Cleveland, Ohio around 1930.

(What was Cleveland like then?)

Oh well, Cleveland was a manufacturing city, and it was a typical mid-western city with a population of about 500,000.

(Were people economically depressed at that point in time, most people?)

Well, then there came the bank failures, and during that time I was in Cleveland. I missed the First World War by a year; I was too young. I had an older brother who did make the first one. His name was Louis Dalitz. I

also have a sister Helen who lives in Ann Arbor, Michigan.

My mother passed away twenty-five years ago, and my father passed away about ten years ago.

(Did they ever move out here?)

No, they lived in Ann Arbor. They had a nice home.

(Was your family an orthodox Jewish family?)

They were not orthodox. They were--uh--I think you might refer to them as--conservative a little milder than orthodox, right? I would say they were conservative.

(But not reformed--not all the way to the other extreme.)

No, no, they were middle road.

(Was there a ghetto community in Detroit when you lived there?)

Yes there was. There were good neighborhoods and bad neighborhoods. We lived on a boulevard that was--oh--I would say in caliber upper middle class. Our family always had a car. One of the first cars we had was an Oldsmobile with two steps to get into it. Detroit, about then, became the big automotive center. Ford blossomed out about that time, and they established an all time high in pay raises--five dollars a day. And all the business people and industrialists thought he was mad--five dollars a day.

(So you watched--you were there to see the growth of the Ford industry. Did that change the city itself?)

Oh yes. Detroit's eighty percent Black. Downtown Detroit became a disaster. They boarded up the big stores, and the entire downtown. Now there's a project on where Ford is rehabilitating, tearing down all the old--uh-skid row areas, and building new buildings, and decorating the river front--the Detroit River, and massive program on trying to get the people to come back into the city instead of on all the outskirts--the suburbs having the shopping centers and nothing in the heart of the city--nothing. Can't go there at night. (The) Statler Hotel that was one of a big chain, was boarded up. The "Book Cadillac" hotel which was beautiful was built by the Fisher brothers, also was boarded up. You can't believe this. It--it is worse than London looked after its bombing experience. It was just awful.

During my living in Cleveland I was involved in the liquor business which at that time was illegal. We operated out of Canada, and brought liquor into Ohio from which point it was bought by smaller operators and distributed. We were more or less wholesalers. It was brought in by boat across Lake Erie, across Detroit River; it was transported by trucks over land; it was bought by our most respectable people, and they were glad to get it. Then the Second World War came around, and right after Pearl Harbor, I enlisted. I was, if I remember, I was forty-one--beyond draft age.

(Why did you enlist?)

I was single at the time--I was divorced, and with all the excitement of Pearl Harbor, I, like many other people, walked into a recruiting office. A week later I was on KP. I was in for over three years, and I was stationed at Camp Lee, Virginia in the quartermaster corps. I was a corporal and then I was a sergeant and I became an OCS cadet...

(Was that unusual for a man your age?)

Everybody in OCS was young, I was commissioned and applied for overseas duty. I received my orders telling me to report for duty at the New York Port of Embarkation. I had applied for overseas duty, so I figured that was it--the New York Port of Embarkation--so I went to New York and reported in. Expecting to go overseas when I was informed that I was being kept at Governors Island. I was placed in charge of laundries and dry cleaning for the armed services under 2nd service command. We serviced overseas troop ships and overseas army personnel. During that time, because of my knowledge and experience in the laundry business, I played a part in developing mobile laundry units that were used in our front lines of Northern Africa. These mobile units moved right into the combat zones and serviced front line combat units right then and there.

(What did they do before that?)

Well, trench warfare, it was always a big problem, what with sickness and disease. These mobile units finally became

a very important part of our war department--and still is. Then, in about 1944, I was mustered out and put on inactive status. I came out as a first lieutenant in grade for about ten months, eligible for captaincy. However, I was seperated from the service before captaincy.

(By choice?)

Well, the war was over.

(Did you consider staying in the service?)

No, not at all.

(This may sound a bit personal, but did you have an emotional commitment in terms of the atrocities that were taking place in Germany; was that what prompted you to enlist?)

Yes, I felt, being single and all, that I wanted to give it a go, so to speak, so I did. I didn't get overseas like I wanted to, but I did the next best thing, and I received a nice award for the work I did. It is considered to be a very coveted non-combatant award from the Second Service Command.

(What was the award?)

Well, it was the--I can't remember the name. I have a miniature of it (reaches into pocket for wallet) here. (Hands miniature of award to interviewer.)

(The award reads, "Meritorious conduct in the performance of outstanding service as Director of Laundry Service from 28 January 1943 to 28 March 1945. Lt. Dalitz's unusual

interest, ingenuity and talents applied to the direction and supervision of laundry services of the Service Command Quartermaster's Office did materially assist in placing that laundry service on much higher standard than might have been anticipated under the circumstances. This accomplishment not only added to the contentment and hence the efficiency of the troops within the Second Service Command, but added greatly to the morale of troops bound through staging areas for overseas." [Signed by] James N. VanFleet, Major General.]

That general took General Terry's place. I served under Major General Terry.

[That is a very personal award; I bet they wanted to keep you.]

Well, they put me on inactive status, they didn't discharge me. [chuckles]

[Were you anxious to get back to your business in Cleveland? Did you maintain contact with your business partners during the war?]

Yes, my partners carried on, and I came back.

[Who were your partners at the time?]

Morris Kleinman and Sam Tucker and Louis Rothcob. And when I came back from the service, we decided to go into the casino business--nightclub business in those days--and we operated nightclubs in Ohio and Kentucky, and some of these nightclubs had casinos which were leased out to experienced

casino people. And that was my introduction to the casino business.

(Did your partners have experience in the casino business or was this all new?)

It was all new, but being in the liquor business, we sold to these various nightclubs. We learned their business by being close to the operators. Prohibition was repealed so we stayed in the gambling business. After several years, while one of my partners was on a visit to California, he met a man by the name of Wilbur Clark. They became friendly, and it developed that Wilbur Clark started to build a hotel--a casino-type hotel--in Las Vegas, Nevada. He informed my partner--Mr. Rothcob--that he was looking for financing. His anticipated finances had dried up and left him with property and footings for what was to be the Desert Inn, Wilbur Clark's Desert Inn. This stayed in a state of "no activity" for a year and a half or two, gathering sand and dust. We then met with Wilbur Clark, and asked him to fly East. We made a deal with him to finance his enterprise, and we became associated together, (in) 1948 or 1949.

(Going back to the early clubs in Kentucky and Ohio, what was the first club, the first experience you had in the business?)

In Cleveland, we were interested in two or three different clubs. Is it necessary to have the names of the clubs?

(It would be interesting to future researchers to have the names.)

I don't think so, no I don't think I want to give the names. Now the club in Kentucky was the Beverly Hills Club, and that became a very famous casino-type club.

(How long were you interested in that club?)

Oh about ten years probably.

(And, did you sell that before you came out here?)

Yes, when we decided to come out here we sold. There were a couple of local partners in Kentucky, and we sold to them. Then we applied for a gaming license here. And we--of course we were naturally considered a potential competitor to the casinos that were in existence in Las Vegas.

(Which were?)

Which were the El Rancho, the Frontier, the Flamingo was up-- they were open a couple years before we came out.

Well, it was at this time that we formed a partnership with Wilbur Clark. He had already laid the footings and came out of the ground with the hotel section; and its motif might be termed as "modern ranch" with the big, long front porch and the redwood chairs. We slightly changed his thinking, and he agreed that we might become a little more modern than his original plan. And the Desert Inn took on a--a look that was in keeping with the West and the open spaces and the desert, but

slightly departing from wagon wheel, old West architecture. It became popular, and we served great food. We moved our food people from Ohio to Nevada and opened the first gourmet restaurant of any that existed in any of the hotels. The name of it was the Monte Carlo Room, and it was of French decor with crystal glassware and deluxe service plates and so forth. It became very popular; and the Desert Inn from the day it opened, attracted the tourists that demanded a luxury hotel.

(It became the luxury hotel, then, in Las Vegas.)

I would say that the Flamingo, before us, could be termed a luxury type hotel also, but they failed to establish a warm atmosphere. They failed in the quality of the food and service.

(That was due to their management or their decor or what?)

No, it was due to management. The decor was beautiful. Oh, they went to the extremes--very good, but they just didn't seem to know how to make a customer comfortable.

(How do you do that?)

Well, your personnel have to be trained. They must remember names and faces. They must make themselves popular. A customer that comes to a place like Las Vegas--a resort like Las Vegas--is very flattered when he's recognized; and because of being recognized, he feels that it's his home away from home.

(So the Desert Inn was successful from its very beginning.)
Very beginning.

(And it was my understanding--I think Mr. Cahill mentioned it to me--that each of you in the Desert Inn, each person that was interested in the Desert Inn, had a specialty, and one of you was there all the time--never left it to--to other people to manage and so forth.)

All the time--never (left it). There was always one of us on the premises.

(Day and night?)

Day and night. We had experienced croupiers who had worked with us back East, who were loyal and trustworthy. It was just a very harmonious organization. Wilbur Clark was the greatest publicity person that I have ever met. He was respected and well thought of by everybody in Nevada. In all the years of our association, there was never a dispute of any kind.

Our relationship with Wilbur Clark was one of the most pleasant business and personal relationships I have ever had in all my experience. And our business thrived, we grew, and we decided to try and make Las Vegas a resort, to be considered by tourists as a resort. We bought up the acreage behind the Desert Inn, and we created a championship eighteen hole golf course. The same percentages of ownership that existed on

the opening day, existed to the very end. Ratios of investment changed, but we never permitted it to affect percentage of holdings.

(Was Wilbur Clark considered--was he consulted as the head of the Desert Inn or was it an equal sort of partnership where all of you had an equal say?)

We all had an equal say, and we all respected each other's ability. It was a great, pleasant experience.---What else?

(I started to ask about the specialties. I assume Wilbur Clark was mainly involved in the publicity and so forth.)

He was very knowledgeable in gambling too, but our (chronicler and his Eastern partners) expertise was in the gambling and the nightclub business and the entertainment field. We created a stage that was equal in versatility ^{to that of the Roxy in N.Y.C.} possibly not as big. The stage at the Desert Inn enabled us to put on extravaganzas that not one competitor was able to duplicate until years later.

(Whose creation was that? Whose brainchild was that?)

Well, Frank Sennis was our entertainment director back in Kentucky and Ohio. He had been with us for forty years. Don Arden was associated with us since he was a little boy in Kentucky and Ohio, and when we built the Desert Inn, Don Arden had already become famous in Paris through the creation of the Lido show on the Champs d' Elysees; we made a deal with him for the Stardust Hotel French show.

at first we thought about the Lido show for the Desert Inn, but we were doing so well with the show policy we had that we saved Don Arden's Lido show for the Stardust Hotel, which we were negotiating for. We built the stage to accomodate the first, big, French extravaganza. So this was the combined thinking of all of our organization since we felt that we must do something to improve a competitive position. We just couldn't follow the footsteps of the Frontier or the El Rancho who were very good. We know that we had to come to life with something very startling, and the Lido--and our French shows and our versatile stages enabled us to take the lead in entertainment.

(At the same time you were innovating in that area, you had conceived the idea of building a golf course.)

At the same time. After two years or three years of operation at the Desert Inn, we conceived the idea of building a golf course in Las Vegas. We did not have the Desert Inn Golf Course location in mind at all. Our first attempt to establish a golf course was to call in to a meeting the six hotels that existed at that time--five or six--and we proposed to buy land in an area that was not advantageous to any of the hotels and that we would all share in this project and try to make a resort out of Las Vegas. We had several meetings trying to establish this, and it was voted down each time--so finally I suggested that we buy the land behind the Desert Inn and go it alone.

Our own organization became very much split up on this idea; and some of us wanted to do it, and some of us didn't want it and felt that a golf course didn't lend itself to our casino operation. And finally the majority ruled, and we bought the land behind the Desert Inn for two thousand dollars an acre. It was a section--I think there was six hundred and forty acres--or was it a half section, I don't remember. Anyway, we built the golf course and hired a professional who was recognized as an executive golfing-professional, more so than a playing professional. Luckily the man we retained was Howard Capps. Howard Capps was the man who created the format for the Tournament of Champions. The Tournament of Champions became one of the great golf classics of our country, and we think brought to Las Vegas a caliber of clientele that were the country club type. This tournament--really made Las Vegas become a resort and nationally popular. The golf course was established for four or five years before we even got the tournament--before it was created.

(How do you create a tournament?)

Well, that's why we selected an executive type pro instead of the playing type. The Tournament of Champions, was a format that embraced all the winners of a recognized PGA tournament for that year. They alone were

eligible, therefore every contestant in that tournament at one time or another during the current twelve months--had beat all his opponents. Therefore, all the people were champions--true champions.

(So I presume all the greats played--)

The greatest. All of 'em, all of 'em. And when we sold the Desert Inn to Mr. Hughes, we moved the tournament to La Costa.

(I was going to ask you about licensing.)

Yes, we went through the licensing procedure. It was a hassle. Naturally a potential competitor doesn't win a popularity contest. We went through many meetings with the licensing authorities and finally the license was granted.

(Did they have any particular problems with--I remember one story that I read that they had some problems--Hank Greenspun had a small interest--)

Hank Greenspun was a minority shareholder in Wilbur Clark's percentage. He had been associated with Wilbur Clark in the creation and starting of the Desert Inn, and soon after it opened. He, Greenspun, sold out. He objected really to the purchase of the land behind the Desert Inn for the golf course. He was quite disturbed with the land purchase.

(On what basis?)

On the basis that, we would be using too much water and that the desert didn't have that much water. That the desert didn't lend itself to golf. Later on in years he changed his thinking and built his own golf course.

He became very busy with his newspaper, and he, too, did extremely well. I suppose the right thing to say is all's well that ends well.

(I would like to ask you what impact the Kefauver Investigation had for you and your operations.)

Kefauver Investigation had no impact on anyone in Las Vegas, to my knowledge. I don't know of anything that the Kefauver Investigation concluded. I don't know of any convictions that resulted. I don't know of one thing, other than that he almost became president of the United States from the publicity generated by this committee. Therefore, I must call the committee a political campaign, for the presidency. I have seen no other result, other than it made him popular enough to be nominated.

(It didn't rile people up here in Vegas that this was going on and you didn't have increased federal activity here, people bugging you?)

No. I think it concentrated more in the East than it did on Nevada, after all our state had a small population.

(I think they were primarily concerned with illegal gambling, and in Nevada it was legal, so--)

That's right, that's right. They claimed they were concerned with organized crime which existed in the East probably, but not in the West to my knowledge.

(You weren't aware then of any organized crime elements in Las Vegas?)

No, unless they call a person in the gambling business a criminal. If they want to call them a criminal, then all the criminals were here. Now they didn't teach the gambling business at the universities back East. There was no way to learn ^{the} trade, so to speak, or go to a trade school like you can do now. Therefore, Las Vegas became the resting place or the haven for all those who've learned the gambling business in an illegal fashion. From this evolved a very fine, huge industry for the state of Nevada.

(How about unions--were there attempts at union activity early in the Desert Inn experience? Were there people that came in and tried to unionize your people?)

Oh yes. Well from the beginning there were culinary unions and bartender unions. ~~from the beginning~~. They were here when we came, but they weren't as belligerent or as powerful as they are now. ^{NA} And we accepted all the unions except the attempt to establish a croupier or dealers' union. This we felt we had to combat because your employees were

handling cash in what seemed to be a very loose manner. The ability to pick trustworthy people was very important, more important in the early stages of the industry. It still is an important thing, an important factor.

(Did anyone of you in particular do the hiring and firing, or did you all in different areas?)

We had five or six small stockholders who were knowledgeable casino people. Two were assigned to each shift. They did the hiring and firing. That was their business.

(So in terms of unions, they were fine except where the dealers were concerned because you were actually transacting money--cash.)

That's right. If you had to--if you had to go through the procedure of appearing before a committee to present charges of dishonesty, which sometimes, while they were evident, couldn't be proven beyond a reasonable doubt. A casino owner would be at a very, very big disadvantage. The Gaming Commission has progressed to the point where they became very cognizant of the factor, and they have been instrumental in saving untold amounts of money by their investigative operations. They've done a big job.

(So it's no longer a burden--the biggest burden is no longer on the casino owners--)

True. (--but on the Commission.)

As it should be.

(Do you think because of the recent Rosenthal case and so forth they're going to consider gambling a privilege?)

Definitely, yes. It definitely has become a privileged industry.

(Frank Rosenthal was a floorman at the Stardust?)

Frank Rosenthal became associated with the Stardust after we sold it.

(We can start now with the sale of the Desert Inn--)

Uh hm. I think it was about nine or ten years ago. This is '77. It would be '67, yes?

('67, that's right. Did you meet Howard Hughes?)

Not personally, but I knew him from when we first opened the Desert Inn, he was one of our patrons and came to the opening party. And it was, you know a kind of an international affair with people from many foreign countries. We opened up with Edgar Bergen as a headliner since he was at the top of his career at that time.

(The people from foreign countries, were they friends or were they people that just heard about the opening?)

Yes, many of them were friends of mine and friends of Mr. Clark's, and a lot of them just made reservations for the opening. It was a very colorful affair, and in those days

it was customary when a new place opened that the owners of the existing hotel-casino would attend and make a complimentary play as they called it. The first two days went against the house so badly that we were practically distressed for capital. And of course our business was tremendous by standards of those times, and it finally became very profitable right from the start. It continued that way all through its business life.

(How did the Desert Inn change once Hughes took it over?)

Well, before Hughes took it over, Caesar's Palace was built and competition became very keen. We had developed plans for a new addition to keep abreast of competition. We were in the midst of this planning stage when Mr. Hughes indicated that he'd like to buy the hotel. We showed his people our new plans, and they were very much in favor of going forth with them under their new regime. However, as time went on the plans were changed and changed about ten times and never followed through. As a result the Desert Inn started to lose its position as number one in Las Vegas.

(This was after you sold to Hughes.)

Right. The way the sale came up was that Mr. Hughes made a reservation for our top floor for a period that was to end a week before New Years at which time, it was explained that he was occupying our most luxurious suites and

that they were already reserved for New Years. We feel that this prompted him to make an offer of purchase. However, I have an inner feeling that it was his intention to purchase it all the time and that--the fact that we insisted he vacate merely expedited what he intended to do.

(Why do you think he picked the Desert Inn of all the casinos, because it was the best?)

Well, he'd always stayed there. He was there, as I said, at the opening. We always were friendly with him, and when he moved in, his representative was Bob Maheu, who also lived there. The Desert Inn maintained the friendliest and warmest atmosphere in Las Vegas in my opinion.

(Funny that that would make a difference to him, though, after he went into seclusion.)

He was also influenced by his staff who felt that way too."

(Did they take over the maintenance of his suite or did your staff continue?)

No. He had his food prepared in his quarters and had his own air conditioning and purification systems, and it was generally known that he was allergic to many pollens. And it was also a fact that he was most allergic to antibiotics, therefore an ordinary cold could have been very disastrous to this fellow. And we think that this made him become an extreme hypochondriac. These are our opinions.

(Did you have any contact with him once he did go into seclusion. Did you talk to him on the phone?)

He sent messages to me through his staff back and forth. I read some of his messages. Once his word was given, it was better than a signature. Once we agreed on the overall price, it went along very smoothly. There was no unpleasantness. They yielded and we yielded points that were in debate, and we just proceeded along very smoothly to the very end.

(Did you feel sad when you sold the Desert Inn?)

Well, no, because my partners were all a few years older than I was, and they were most anxious to retire. Mr. Tucker--Mr. Tucker's wife was told that the desert climate was not good for her. Mr. Kleiman's wife developed Parkinson's disease and he wanted to retire, and their minds were set to go to Florida. So, all in all, there was no real sadness nor was there any joy. It was just a confrontation that had to take place.

(By this time you were involved at the Stardust.)

Oh yes.

(How did that come about?)

~~Well, the~~ ^{the} Stardust was started by Mr. Tony Cornero. He had the footings and architecture laid out for a thousand room motel, rather than a Hotel. And his public areas were laid out for that type of an operation. He had a heart attack and died, and a man by the name of Mr. John

Factor bought it and negotiated a lease with us, an operating lease. We insisted on changing the original plans to be more in line with a resort hotel featuring French shows and a more versatile stage. Before it was finished, we bought Mr. Factor's interest. He was not completely in accordance with our plans for personal reasons of his own. I didn't know what they were. We bought it and cleared away a Chapter II situation (bankruptcy) that he was in. And we went to Paris and made a deal with the Lido de Paris owners who were well known and who were friends of ours. Their producer Donn Arden worked for me as a young fellow at the Beverly Hills Country Club in Kentucky. He was our choreographer, and then he moved to New York where he became a well known nightclub show producer and then was the producer for the Lido de Paris show. The Lido show at the Stardust was considered to be the finest extravaganza ever set forth in a nightclub. The dining room held eight hundred seats (which) at that time was huge by comparison, and it had three shows a night and there never was an empty seat for ten years. It still thrives. It still is, in my opinion, THE main draw for the Stardust Hotel.

(Did you take people from your Desert Inn operation and have them start the Stardust?)

Some, we didn't take many of the casino personnel. We put together a new group of casino operators whom we were well acquainted with. We picked a man from the Northwest who was very popular in gambling circles;

we picked a man from the Southern California area who was very popular; we picked a man from Chicago, Tommy MacDonald, who had a big following; we picked a man from the Houston-Galveston area who at one time operated a casino in Galveston. His name was Lorenzo Grillett. We picked out a man from the Atlantic City-Philadelphia-Pittsburgh area, Milton Jaffe. We ourselves were acquainted in the East and Midwest. While some of ^{them} ~~them~~ had met one another in their goings on, they had never been thrown into business with one another. This team became successful right from the start.

We gave them all a stock interest base, so that each one felt that he was working for himself. Policy was set at the executive office. We had Mr. Benedict as general manager for quite a long time, in fact, until we sold it. We held meetings constantly and all agreed on procedures and plans for business--very harmonious.

We had no turmoil. We've never had financial troubles; we never had a lot of buying and selling of partners interests. The same partners that started the Desert Inn, if they were alive, ended up with the same percentage that they started with.

(Were the same--were the identical owners of the Desert Inn, the identical owners of the Stardust?)

No, no. Some of the owners of the Desert Inn owned nothing of the Stardust, and most of the Stardust people had nothing to do with the Desert Inn. But the top echelon, the executives, were involved in both.

(So, it was you and Mr. Kleinman, Mr. Tucker?)

Mr. Roen, Mr. Kolod.

(That's really interesting that your employees--I mean it's well known that many of your employees have stayed with you for forty years.)

Yes, yes. I go to the restaurants and ~~hear~~^{meet} of people that remember me from so long ago.

(Your maitre'd was with you from the very beginning.)

Yes, Pancho Alliatti was our maitre'd at the Desert Inn for many, many years. His chief captain was Andre who we moved to the Stardust, and who is now maitre'd at the MGM under Al Benedict, who also was with me all the time. Most of the people at MGM--most of the key people were from the Desert Inn and the Stardust.

(Well Carl Cohen worked for you, didn't he, at one point?)

Yes, a long time ago.

(---in Cleveland?)

Yes.

(He didn't work for you once he moved out here?)

No. We are very friendly, and he was a part owner all the time in other ventures. We always regarded Carl as our very good friend and a perfect gentleman.

(Let's talk about gaming in general, things like the "Black Book", and --) and the "Green Felt Jungle, did you read that?

(Yes. Must have affected your operations.)

No, no. We operated a hotel; and like the Hilton or the Sheraton they don't ask for a history of their guests. A guest comes in, makes a reservation and registers and pays his bill and goes. They catered to the public and we did the same; if a person was undesirable it was up to the law enforcement officers to do as they wished. We neither aided nor hindered their operation in any way.

If law officers
~~They came in--if they~~ came in--and asked us specifically for a Mr. so and so, we would show them the registration, but we would NOT let our card system, our customer card system, be exposed, ~~to~~ ~~any law enforcement or any agency.~~

(What was the customer card system?)

Well, their credit cards and our register or our past registrations. We always cooperated when they came in with a specific name.

(But you didn't open your books to them just in general?)

It was not permitted.

(Did they hassle you about that? Did they want you to do that?)

Oh--naturally.

(But they never took you to court over it?)

No they did not,

(Greenspun must have brought a lot of federal type people in just by exposing things about the industry.)

The authors of the Green Felt Jungle were employed by the Sun, his newspaper, and during that employment, he was writing *the green felt jungle* this book which we think dealt with Las Vegas and the State of Nevada very unfairly. His book started a barrage of other books and magazines because they became a very saleable item, the kind of news that would produce sales with no regard for proper reporting.

(Why didn't casino owners, the people who are mentioned in the book, fight the inaccuracies?)

It's always been an accepted theory that unfavorable or unwarranted publicity should not be perpetuated by protest. If brought to task then more unfavorable publicity follows. People that were in the gaming business realized this. Even the advice of lawyers was always to avoid further complications by not protesting or suing.

(You were talking about the kind of nasty, scandalous literature that has just bombarded the industry. Do you think that the exposers think they're doing the public a favor?)

No, they want to sell a book or a story and were strictly mercenary, with complete disregard for the truth.

(You don't think Greenspun really thinks he's doing the world a favor?)

Oh he does, but the people that work for him that wrote the book did not. They quit him and went to New York and sold the books and became wealthy. Greenspun feels that he's really the savior of the Nevada gaming industry. He sincerely believes this.

(Greenspun has claimed that when clubs were first integrated, racially integrated, he supposedly arranged this big meeting. He allegedly attacked the casino establishment, and made them accept integration. There were not Blacks employed or allowed in the casinos before 1954?)

We had two Black casino people as long as fifteen years ago--eighteen years, and Hank (Greenspun) was not involved with it.

(So you don't feel that there was racism, at least you didn't practice segregation as a rule?)

No. We didn't have any Black ^{casino} people because none were ^{casino} adept. They weren't qualified, but two of them did go to the ^{casino} school or did learn, and they were qualified and were very satisfactory. They worked for us a long time and then got better jobs somewhere else.

(What about allowing Blacks to stay in the hotels?)

Well they didn't handle it any different in those days than the Hilton or Sheraton or any hotel. They don't bar them out--just Blacks couldn't afford them. Those that could afford them got in.

(So you're saying essentially that the situation did not change with Greenspun getting anybody to sign a petition?)

No. The situation changed with the trend of our world.

(As the society changed, so did the casinos and everyone else.)

Absolutely.

(So you don't consider it a major problem, wasn't a problem?)

Never was.

(We talked a little bit about Hank Greenspun before; you had had associations with him over the years. And in fact he was part-- he had a part in the Desert Inn.)

Yes, he had a participation deal with Wilbur Clark; and when we came to Las Vegas and made our deal with Wilbur Clark, he became publicity and public relations director of the Desert Inn before the opening. And ~~before we ever opened~~, ^{he} he resigned from those two positions ~~before we opened doors~~ ^{before} or shortly after, ~~he~~ resigned. And then he eventually sold his interest to the company.

He took the money that he received from the sale of his stock and acquired the newspaper.

(Important, I think, to know the kind of relationship that you had--there were other press people, I'm sure, during the years that bothered you.)

The entertainment feature and climate of Las Vegas enabled our convention bureau to out ^{bid} ~~beat~~ cities like Chicago, Miami, New Orleans and others for some of the biggest and best conventions. This naturally created a hostility and the morals of gambling were played up strongly by the sales forces from these cities. However, as the nation realizes this was overcome.

(What about the boycott of the Las Vegas Sun?)

We had an association, and there were five members. Since the Review Journal had the biggest circulation, the biggest portion of the advertising, logically went to that paper. He didn't think that should be. He sued us and won the case. Our lawyers told us not to appeal even though we could win.

(I know you've been away from the actual running of gambling for ten years, but I wanted to ask you about the security sort of things--you know, having to call the police in periodically for habitual troublemakers, those kinds of things. You know liquor flows so freely in the clubs, and people really do get out of hand, and I was wondering how you dealt with that. Do you feel that a club has responsibility for its guests; if you serve too much liquor then you're responsible for them?)

Why we've always told our cocktail waitresses and bar people that if they had the slightest suspicion that a patron has had too much to drink, to refuse to serve them or call one of the bosses and point out the situation.

The pit boss looks and declares whether the situation is harmless or not.

(Harrah's was recently sued for serving a person who subsequently was involved in an automobile accident on Donner Pass, and the people sued Harrah's for all kinds of damages. Do you think that's fair?)

We're in a same position that the medical profession is in. They sue doctors; the poor doctor, he's tryin' to help ^{the} patient ^{doesn't} get better, ^{so he} ~~he~~ sues the doctor, ~~for his life~~. And that's why you have such high medical rates because the insurance companies.

Many people come here and claim to have lost money ~~here~~ that ^{at all} didn't lose ~~it here~~. A lot of husbands tell their wives that they ^{lost their money even if} lost ~~it here~~; they didn't, ~~lose it here~~. A lot of wives tell their husbands they've been robbed in their room and lost their jewelry, ^{even if} and they didn't. ~~I don't want to inject all this terrible information into your head, lest it turns you into a cynic.~~

(Do you think that this business more than another business breeds that sort of behavior? Or, do you think that it's just a service there for the public and the public abuses it?)

There are pleasure players and there are ^{compulsive} players who are not playing for pleasure. There are people who ^{can afford} ~~want~~ to have a fling and ^{those that can not} ~~that can afford to have a~~

~~fling. They don't go berserk.~~ Then there are the people who loose two hundred dollars (and) say I'm gonna take another hundred and another hundred. First thing, they're in over their heads. Now they become complete idiots and start selling things, like a person lost in the desert, he starts throwin' his clothes away. He starts takin' off things, and he drops his rifle, he drops things he should hang on to. This is not only common to gaming but also applies to the stock market.

(People believe in luck; they like to believe in luck.)

That's people. And they're superstitious. Some players think a certain dealer is lucky, also certain dealers are unlucky.

Like there was a very, very funny joke a comedian told. He lost his money. He said to his wife, "Where's the money I gave you and told you not to give to me even if I asked for it?" So there you are.

(We mentioned the Harrah's suit. He is considering opening casinos in Australia. Do you think they will work?)

You see Bill Harrah's inclined to be an operator who leans towards mechanized gambling, and mechanized gambling right now is very big in Australia. They have private clubs with memberships as high as forty thousand members, and each one pays only four dollars a year. And they have entertainment

of the big name type. It is all supported by slot machines. They have ladies' and men's health clubs and social events. Unless you belong to a club, you really have no where to go ^{because} ~~'cause~~ all social activities revolve around these clubs. There's a dozen of ^{them} ~~ten~~ or more that ^{have} ~~with~~ these ^{huge} ~~high~~ memberships ^{at} ~~very~~ ^{reasonable} ~~prices~~ ^{and} they serve great food to club members only.

(Aah, and that's the social life pretty much in Australia, huh? How would Harrah fit in--)

Not wealth, no. These are middle class people.

(So where would Harrah fit in?)

Well, he's a slot machine operator. He is a very nice man, and has helped the gaming industry state wide.

(How do you feel about the state tax structure in terms of taxing the industry. Did you think it was fair when it was implemented?)

Yes, I thought that it was very fair, and the proof of the pudding, there were no ^{or} ~~failures~~, very few failures. The history of the Nevada casino business, and hotel business, and resort business, has been excellent from that standpoint. That's the best barometer as to whether taxation is reasonable or not.

(Allegations of skimming are constantly being brought up. Did you have problems with that?)

We followed the rules and regulations that were laid down by the gaming control people, and I guess

every place in the entire state was always accused or there were implications; some were justified, some were not. Most were not.

(Did they investigate a lot?)

Yes, constantly. Everybody, all the places were.

(Was there a difference between the kinds of investigations that the federal government did and the kind the state did?)

Yes. The IRS tried to get the credit card list, customer list, but they didn't get them from us. They used clockers standing at the tables, recording the action.

(Were state investigators as bad as the federal investigators?)

No. No, they were very reasonable, and they were genuinely looking for any illegal activity, and that was their real general purpose. They were dedicated to that.

(And maybe to really help keep the industry going.)

Right, because it was very important to them all. But governmental harassment involved politics, involved contributions to campaigns, and involved everything, imaginable. I don't know of any court trial or jury trial that came out of all this. I don't know of any.

(Umm. Were you active in the Resort Hotel Association?)

Yes I was.

(And do you think that that association benefits the industry?)

Very much so.

(What are the kinds of things that they do that benefit?)

Well, they had the pulse of the casino operators, met regularly; they discuss policies that might be considered beneficial and those that were not beneficial. And our meetings were involved with things that were good for the industry. We jointly hired labor relations people. We established better credit control, which was very important, and really helped the industry in general.

(Are all the casino owners part of the association?)

No. There was always some that didn't agree with the policies of the majority. So they didn't participate.

(Was the trade association, when you belonged to it, involved with lobbying at the state legislature and even at the federal level?)

No, no.

(How about promoting the industry, like relations with the Chamber of Commerce and those sorts of things?)

Yes. Yes, and they were very important to the convention people of our county. They worked together very well.

(That's good, and I assume they still do.)

Yes.

(What do you think the future is here in Nevada? Do you think that there will ever be, say, dog racing, lotteries?)

I think the only thing that can hurt Las Vegas is if California has gambling. That's all.

(Florida's not a threat?)

Not as bad as I thought it was going to be. I used to think it was going to be a real big threat to Nevada, but we're so strong and so big that it will not have too much effect. It might slow us down a little bit.

You see, if Florida opens, it's more apt to hurt Atlantic City, than Las Vegas. It'll hurt the Bahamas, and if they legalize it in New York state, that'll hurt Florida. The only thing that can really hurt us is California.

(How much of a real threat do you think that is?)

No way. The racetrack interests and the dog tracks in California would all be against it. They would--oh they'd spend a fortune to knock it down. They are even trying to knock out the Mexican deal, in fact they did knock it out. They're going to try to open up Tijuana, and south of the Texas border. I understand that they're comin' along pretty well with legalizing gaming but that cannot hurt Vegas.

(Would Vegas ever allow racetracks or dog tracks?)

I don't think they should. Vegas shouldn't have what a tourist can get in his own home town. We can't compete with

Tropical Park and Garden State Park and those great big beautiful racetracks and dog tracks. We can't compete with them, so we shouldn't have it. That was the mistake they made when they built a racetrack in Las Vegas.

It was quite a good one. This was twenty-five years ago. Race-track people from Massachusetts, Rockingham, a very well-known race track. It was located where the convention hall is now.

Well, what happened was, the racetrack people bought about three hundred and eighty or four hundred acres of land where the Las Vegas Country Club and the convention hall presently is located. It operated for two or three years and finally failed. But the enhanced value of that land was so great that it gave the stockholders back all their investment. Joe W. Brown bought the land from the people from Massachusetts. Joe W. Brown became ill and he was up in years. We were talking here about a convention hall. But Albright was at the head of the board, and I worked with him. I knew Joe Brown very well, but Joe Brown passed away right while we were in the process of talking with him about a new convention hall. The executor of the estate of Joe W. Brown in New Orleans was Seymour Weiss who owned the Roosevelt Hotel and who was a very dear friend of mine.

It was the largest hotel in New Orleans. He was a very well known and highly regarded man in the National Hotel Association. I took the Fair and Recreation Board,

which Bud Albright was the head of, to New Orleans, and Seymour Weiss treated us royally. We had several meetings with him. Through his efforts we acquired 30 acres at cost. The price was approximately sixteen thousand dollars an acre. We also told him we would name the street after him. It was called Joe W. Brown drive. I hope his name will go down in our history. We worked with his wife and she approved the thirty acre sale. Everybody came back very happy. The Fair and Recreation Board got started with the convention hall, and after a short while they came back to me and said we need fifteen more acres. So we went back to New Orleans and met with Mr. Weiss and Mrs. Brown who consented to let us have fifteen more acres at the same price. Would you believe this? Bud Albright did a fine job and worked very hard. He really was the father of this convention hall. I got the land for it, but that's neither here nor there. He worked hard.

(Did you also have some say once the convention hall was open on policy and running the thing?)

Well no I didn't--I didn't take an official position at all. I did all of this behind the scenes.

(That goes along pretty much with your sort of low profile image anyway. When did you begin to diversify into developing?)

I was doing that right along. My partners in the gambling and hotel business made investments all over the country. Wilbur and I--our roots were here. And any benefits or dividends and monies made, we reinvested right here in this city, Allard Roen and I became involved with Irwin Molasky and Merv Adelson in the real estate business. Our first venture together was Sunrise Hospital. (Points across street to Sunrise Hospital.) We built and operated it.

(Because you thought there was a need?)

In those days there was. It was so busy that expansion was constant and still is. There were four partners then and are still the same. Our Company built LaCosta and the Boulevard Shopping Mall. We developed practically all of Maryland Parkway, both sides of the street, from Sahara to Flamingo.

Sunrise Hospital is presently building another larger addition. It's considered to be one of the finest hospitals west of the Mississippi. It was accredited by the American Medical Association as one of the best equipped privately owned hospitals in the country.

We sold it about seven or eight years ago to a national hospital chain, and they retained Mr. Adelson as

their director and administrator. See the crane back there (points), they're building a new wing. Then they bought the adjoining land off of us.

Mr. Adelson and Mr. Molasky have other enterprises that Mr. Roen or myself are not involved in. They own Lorimar Production Company which created the big TV hit, "The Waltons;" they also created "The Blue Knight". They did "Helter-Skelter." Their Company is very prominent in the motion picture business. Allard and I are not involved in it. We four are involved in LaCosta. We built and developed the Boulevard Shopping Mall which we later sold. Our next investment was in the land at LaCosta.

(And LaCosta was the next after Sunrise?)

Oh no.

(There were some in between?)

Oh yes, we never stopped.

(So really you'd been diversifying all along?)

Even while we were operating hotels and casinos.

(Would you say you spent about half your time with the gaming and half with developing, and then the last ten years it's been a hundred percent of your time with developing? And LaCosta is growing all the time, is that correct?) And you spend quite a bit of time down there?)

(I've read dozens of articles about your awards and all the charities--some fifty-seven that you're involved in. Do you have some that are your real pet projects?)

Yes. I've leaned towards the Home of Good Shepherd and the Variety Club, which I was very active in.

The Las Vegas Country Club has what they call a Tony Frabielle yearly commemorative golf tournament. Tony was a popular golfer and had a multitude of friends. All the proceeds go to the Heart Fund of the Variety Club. This club was dedicated to the helping of handicapped children.

(And of course you received the Humanitarian Award from the American Cancer Research Center in 1976. That was a very fine honor. One of the things that must have been really interesting through your career is all the people that you've met, the celebrities types.)

A resort like Nevada plays host to people from all over the world, and you meet them here while they're vacationing. One makes many friends.

(I know golf is your primary hobby. What other kinds of things do you enjoy?)

In my younger days I hunted mountain lions all through the West and Mexico. I lion hunted for a long time, thirty years, and until eight years ago I had a ranch in Utah. I had a good pack of lion dogs, but was compelled to sell them. As I grew older the hills became higher and higher.

(That was sport?)

Yes, I think it was. In those days you know there was a bounty on cougars, they were considered to be varmints.

(I don't know. You look like you could still climb hills to me. What do you think's gonna happen to Las Vegas? Is it gonna keep growing?)

Like I said, I think that Las Vegas will thrive; like a graph that has some highs and lows, but the over all trend of the graph will be up.

I mean if--if we have a deep recession then naturally it affects everything.

(Do you have an opinion about the ERA people boycotting Nevada? That's one of the types of things that could significantly affect the gaming industry if it were a real boycott, and they were really able to muster enough people to stay away.)

I'm for equal rights, but not for boycott. I think what they're doing is wrong and I agree with Bob List who thinks there are grounds to sue.

(Speaking of Bob List, have you been actively involved with politicians?)

I've tried always to walk in between raindrops, but I got wet a few times. I have tried my best not to take sides in politics.

(Any particular times?)

No, I'm not going to comment on it.

(Have you any predictions about the upcoming political situation in Nevada?)

Yes. If O'Callaghan runs, he'll win. If O'Callahan doesn't run, then it's up for grabs.

(Do you have concrete plans for the future, the next five, ten years?)

Well, I'm involved in something right now that may not materialize, but there's a good chance it will. I'm involved with the construction of a downtown hotel.

(Downtown? Not the Strip?)

Downtown, hotel and casino. I believe in volume which I think is created by price and the best quality you can get for a price. Downtown is doing better than the Strip.

See, twenty-five years ago we built a building downtown called the Nevada building. About twenty-seven years ago. Now I am going to tear it down and build a hotel. I didn't own it all this time. When I sold the Stardust that went with it. Now I'm getting it back, and that's my last venture, I just hope I live long enough to look at it.

(You're gonna build a hotel, are you gonna run it?)

No. I'm gonna be a landlord.

(You're already a landlord.)

I'll lease out the casino to good experienced people. They will run it and I'll just ask the rent be paid on time. I don't want to hear anything else.