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Wow! What a rollercoaster ride 2008 has been! And just like with amusement park rides, we scream on the way down.

Those of us who have gained some perspective with age know, as Newton put it, "What goes up must come down" and vice versa. This is my fifth recession. I have learned that change is always around the corner. Unfortunately, many now in the gaming industry—35-year-old Wall Street executives, who have only experienced "up," and Native Americans, who have only been in the marketplace during the incredible 12-year rise of Native American gaming—think "The sky is falling."

Last year in this column I predicted, "The economy may suffer as the nation's housing industry falters, oil prices rise and the big banks lose their 'assets' over the sub-prime mortgage crisis." While that turned out to be 100-percent accurate, it has been the media frenzy that has fueled the fear in every household, and that fear has frozen their wallets and particularly reduced their discretionary spending. And nothing is more discretionary than losing money at a casino.

Although the gaming industry has been hit with the one-two punch—first rising oil prices, then recession with its tight credit—the silver lining for the gaming industry is that even in bad times people want to have fun.

As I said last year, "2009 will be a wait and see year in Las Vegas." Actually, I believe that the opening of the CityCenter giga-resort will mark the turnaround for Las Vegas. New development has always been the driving force overcoming naysayer doom and gloom. Las Vegas has not peaked, the airlines invariably add flights to accommodate increased demand, and housing demand always follows, as it will again in this case.

Nevertheless, Las Vegas will certainly experience a flat period of no growth for the next few years. This is no different than the periods I painfully remember from the past such; 1978 when fear struck because Atlantic City initiated gaming, and again in 1990 when the advent of riverboat gaming in Mississippi and elsewhere coincided with the savings and loan collapse and the recession, and most recently, the four-year pause in construction in Las Vegas starting in 2000, legalization of Indian Gaming in California, the collapse of the dot com bubble and the cutback in flying after the September 11 attacks. As in the past, when the fear subsides, Las Vegas will be on to its next greatest metamorphosis.

Indian gaming and local casinos will be the quickest to recoup, since oil prices have plummeted and reduced the reluctance to drive to local casinos. At some point, probably 2010, investment funds will again venture back out. And Indian gaming has been proven to be one of the lending industry's safest bets (not a single default—ever). There are many feasible projects now just waiting for funding. And long-term tribal gaming growth will continue. In fact the American Gaming Association has just published a survey that confirms what I predicted last year: "According to nearly half the experts surveyed, tribal gaming revenue will overtake commercial gaming revenue within the next three to five years."

Gazing into my crystal ball, the following are my three predictions for the future:

1) Management will concentrate on being more efficient in its operations and facilities, providing better customer service, eliminating "fluff" both internally and externally and being the "best that they can be." It will become leaner, stronger and more solid and secure by concentrating on those things they can control, even though they may have neglected them in the past.

There will be winner and losers. What we learn from history is that over time the economy goes up and down, and up again. Those that deal effectively with the down period will survive. But of those, the ones who also anticipate the abundant future will be the big winners. If we want to "make hay when the sun shines," we need to "plant seeds when the rains come."

It is always a challenge to overcome our instinctive fear and proceed with a project when the economy and therefore business is in a slump. History has shown, however, that the best time to build is when contractors are not busy and are begging for the work. That results in the lowest construction costs. And the best time to open is when the good times resume, probably starting in 2010.

2) It is time for a fundamental realignment of our priorities. What we have witnessed in the recent election is not just a political change. More than incremental change along a linear path, this change will be transformational—a change in consciousness, a different way of viewing the world. In fact, the 21st century has the potential of becoming the age of transformation. Indeed, the current state of the world's condition makes significant and positive change imperative. This wake-up call should also inspire each of us to reevaluate our own goals and to add more meaning to our lives and the lives of others.

Actually, the gaming industry does serve higher purposes. It redistributes wealth and does it in a more fun way than paying higher taxes. Also, as a labor-intensive industry, it provides more jobs per dollar than almost any other industry and it has trained a lot of otherwise unemployable people and provided them with good jobs. That is why I believe the destiny of gaming is not only to just survive but to thrive.

3) Well-conceived, smaller, phased expansions will continue to be funded and built. These will be expansions that focus on the highest return-on-investment amenities such as parking structures and hotel rooms. These amenities are the best choices for making the most money in the casino, as pointed out in my previous article "Non-Gaming Amenities Add to the Bottom Line."

In 2008, during the downturn, Thalden Boyd-Emery Architects had its best year in a 37-year history. In the past three months we opened five properties. In October, the \$250 million Buffalo Thunder Resort & Casino opened as the largest resort in the state of New Mexico. This project is operated by Hilton Hotels and Resorts as well as the Pueblo of Pojoaque. The Cherokee Hard Rock Casino in Tulsa, Oklahoma opened its re-branded expansion in December, becoming the largest casino in Oklahoma. Both of these casinos are examples of the cross-over between tribal gaming and commercial companies that I predicted last year as a future trend.

We expect 2009 will be another record year for our firm. It begins with the redevelopment of Aqueduct Racetrack near J.F.K. airport into a great urban casino, which we are doing with Delaware North Companies International, having been selected by the state of New York. We have also returned to our roots and are designing a dozen Hilton- and Marriott-branded hotels across the country—from Chicago to Naples, and Myrtle Beach to Tucson. In addition, we anticipate that the Iowa Casino, a development of the Iowa Nation of Oklahoma and Lakes Entertainment, will be moving forward.

In conclusion, 2009 presents the commercial gaming companies and the tribes with the opportunity to improve operations and thereby demonstrate the stability of the industry. The challenges they overcome will make them stronger. They should also look toward and invest in the future. Recessions don't last forever. By seeing today as an opportunity and not a problem, the industry can go from good to great. ■