

Senate Committee on Community, Economic and Recreational Development
Hearing and Meeting, March 1, 2011

Good morning Chairman Earll and Members of the Senate Committee on Community, Economic and Recreational Development.

Thank you for allowing me the opportunity to testify before your Committee to discuss initiatives taken to recognize and address the important issue of Problem Gambling in the State of Pennsylvania.

I am Robert DeSalvio, President of Sands Bethworks Gaming LLC doing business as Sands Casino Resort Bethlehem. I have been employed by Sands Bethworks since November of 2006. Prior to the Sands, I was Executive Vice President of Marketing at Foxwoods Resort Casino in Connecticut for nine years and spent the prior 18 years in executive capacities at the Sands, Bally's and Caesars Atlantic City. I am a graduate of the University of Denver, School of Hotel, Restaurant and Tourism Management.

The Sands Bethlehem is a mixed use integrated resort including gaming, dining, retail, hotel and conference components located on 124 acres of land that was once the heart of the Bethlehem Steel plant. The site had been vacant for over 10 years. We were awarded a Category Two License in December of 2006 and opened with 3,000 slot machines in May 2009. In January 2010 Table Games legislation was passed and in July 2010 we opened 77 table games and 12 poker tables. In December 2010 we added an additional 11 poker tables. In May 2011 we will open a 302 room hotel with associated meeting space, an indoor pool and fitness center. When completed, the Sands Bethlehem will be the largest gaming venue in the Commonwealth, representing a total investment of nearly \$800 million, providing an estimated 1,500 permanent and

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1,000 construction jobs. Our integrated resort development will be the largest Brownfield redevelopment in the country and will be one of the largest private commercial construction projects in Pennsylvania history.

Our parent company is Las Vegas Sands Corp. Las Vegas Sands Corp is the largest integrated mixed use development company in the world. We currently own and operate the Venetian, Palazzo, and Sands Expo Center in Las Vegas, the Sands and Venetian Macao and Marina Bay Sands in Singapore. We are also currently developing the Cotai Strip, in Macao.

I am here at the request of Senator Earll on the recommendation of Jim Pappas, Executive Director of the Pennsylvania Council on Compulsive Gambling. The Sands has partnered with Jim Pappas and the Council since 2006. When the Sands Bethlehem was in initial development, Las Vegas Sands explored existing problem gaming resources in Pennsylvania and found few were dealing with the issue. To fill this void, we partnered with the Pennsylvania Council on Compulsive Gambling. We believe in their mission and have supported their programs over the last five years through annual sponsorships including a 5-part Compulsive Gambling Treatment Training Workshop taught by Council staff and which have been attended by over 1,700 people to date.

Our Company is at the forefront of responsible gaming training. We want responsible adults to be able to enjoy the entertainment value of gaming and we want to always offer support for our guests who need it. We think that is the very core of our duty to our community. Our belief is that even one problem gambler is one too many.

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The primary objective of a responsible gaming framework is to prevent and reduce harm associated with excessive gambling while respecting the rights of individuals who safely engage in recreational gambling.

As a world leader in hospitality and gaming, Las Vegas Sands Corp thinks it is vital to team with experts in our industry to promote awareness of problem gambling and to prohibit underage gambling, and alcohol use. Accordingly, Las Vegas Sands Corp has developed "Play Responsibly", the industry's most comprehensive responsible gaming program, developed in partnership with Harvard University Medical School, the Cambridge Health Alliance and several other public health professionals and organizations. This program was designed to create awareness of problem gambling and to train those Team Members who service our guests to identify the signs of problem gambling.

As part of our commitment to the "Play Responsibly" program, Sands Casino Resort Bethlehem has committed to educate all Team Members regarding compulsive and problem gambling, the prohibition of underage gambling, the prohibition of gambling by intoxicated patrons, and the identification and ejection of excluded and self-excluded persons. All Sands Team Members undergo problem gambling training. They are trained to understand some of the warning signs of a problem gambler and where to direct a guest if help is needed. This includes directing guests that ask for help to the materials located throughout the property and a help line they can call for further assistance. This training is part of the initial orientation and no Team Member is permitted to start with his or her department until they have participated in the training.

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The Pennsylvania Gaming Control Board regulations prohibit self-excluded persons from gambling. The Sands is responsible for doing its part to insure that excluded persons do not gamble at the Sands. The Pennsylvania Gaming Control Board maintains the official exclusion lists and notifies the Sands of additions, deletions, changes and other updates to these lists. The Sands is prohibited from marketing to or sending advertising or promotional literature or any items to persons listed on the exclusion lists. Excluded persons are “flagged” in our player tracking system to ensure that the excluded individuals are ineligible for marketing materials and other communications. Problem Gambling and Self-Exclusion literature is available throughout the property including the My Sands Card Center, main cage, high limit cage, and security podium.

Additionally, in support of the Pennsylvania Gaming Commission regulation stating that “persons under the age of twenty-one (21) are prohibited from gambling, Sands has implemented the policy that no person under the age of twenty-one (21) is permitted to enter the Sands Casino Resort Bethlehem with the exception of families with restaurant reservations and in those instances, a security escort is provided. Sands’ policy is that we check Identification of any person who looks to be under the age of thirty (30). We have implemented the use of state of the art ID scanner to check and authenticate driver’s licenses. Once an ID has been checked and it has been determined that the person is over 21 years of age, a colored wrist band is issued to that person. In 2010 alone we have had over 288,000 challenges at our entrances and issued over 135,000 wrist bands. Since we opened in 2009, we have had over 500,000

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challenges and have issued over 330,000 wrist bands. Since 2009 we have turned away over 11,000 persons.

Like Las Vegas Sands, Sands Bethlehem firmly believes in partnering with our community. Taking the lead from our parent company, Sands Bethlehem has taken a proactive approach to combating problem gambling by underwriting a series of workshops and seminars for both the professional community and the public. From 2006 to present, Sands has sponsored 30 individual Problem Gambling Treatment workshops for the professional community with over 1,700 clinicians and health care professionals in attendance. At these sessions, trainers from the Council on Compulsive Gambling of Pennsylvania provided valuable information on how to better handle and treat gambling addiction. Additionally, advanced training sessions allowed clinicians to pursue national certification and to become state approved providers of care for problem gamblers and their families. Sands Bethlehem also supported a special training and discussion day for local pastors and the faith based community as well as proactively meeting with the surrounding colleges to discuss our commitment to underage and problem gambling prevention as well as a Bilingual Counselor workshop for members of the local Hispanic community.

In summary, both Las Vegas Sands Corp and Sands Bethlehem are committed to supporting the efforts of the Pennsylvania Gaming Control Board and the Pennsylvania Council on Compulsive Gambling to address head on the issue of problem gambling and to do our part by educating our Team Members and customers about the programs and resources that are available to help individuals and their families.

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I would like to thank the members of the Committee for allowing me to testify and will now gladly answer your questions.



Robert J. DeSalvio
President
Sands Casino Resort Bethlehem

In late 2006, Mr. DeSalvio joined the Las Vegas Sands Corp team as President of the Sands Casino Resort Bethlehem in Pennsylvania. His current responsibilities include managing operations, design, construction and staffing of the integrated casino-hotel project.

Mr. DeSalvio began his extensive career in the hospitality and gaming industry in 1976. He gained valuable experience in hotel operations at the Denver Hilton Hotel, in Denver, Colorado, and the Statler Hilton and Sheraton Hotels in New York City.

During the early startup years of New Jersey's gaming industry, Mr. DeSalvio joined Caesars Atlantic City as Sales Manager in 1979. After spending two years as National Sales Manager for Bally's Atlantic City, he joined the Sands Atlantic City in 1983. While at the Sands for fourteen years, he held numerous positions, the last of which was Executive Vice President of Marketing. In 1997, Mr. DeSalvio joined Foxwoods Resort Casino in Connecticut as Executive Vice President of Marketing. Mr. DeSalvio was responsible for the Marketing, Operations, and Strategic Planning at the resort and casino. In 2005, Governor Jodi Rell named Mr. DeSalvio Tourism Industry Person of the Year for the State of Connecticut. Mr. DeSalvio currently serves as a member on the Board of Directors of Lehigh Valley Industrial Park, the Northampton Community College Foundation, and the Lehigh Valley Convention and Visitors Bureau.

Mr. DeSalvio is a 1978 graduate of the School of Hotel, Restaurant, and Tourism Management, University of Denver, Daniels College of Business.