

CHANGES TO TABLE GAMES AND GAME PROTECTION IN THE LAST 10 YEARS

By Bill Zender



Next month, the 10th World Game Protection Conference will be presented by Willy and Jo Allison at the M Resort in Las Vegas. I'm happy to say that I will be speaking at number 10, as I have at the previous nine conferences. Looking back 10 years to the first conference gave me a moment to pause and review how far table games have come over the past decade. Table games have changed, and the manner in which the games are attacked and the way we protect them have changed remarkably as well. In this article I reflect on some of the main areas in which table games and game protection have morphed since World Game Protection Conference Numero Uno. I think everyone will find these topics interesting as well as eye opening.

Diminishing Coverage of Table Games in the Pit

Removing the floor supervisor from the casino floor might save payroll costs, but it can open holes in your game oversight protection. Supervisor coverage in the casino pit was standard for years at four tables per floor supervisor. With the increase in camera coverage, more face-up shoe-dealt games and player tracking swipe card systems at the table, the floor supervisor's role has diminished substantially over the last 25 years. Over the last 10 years, with the onset of the recession and expanding gaming market, casino executives have looked for areas where they can prune back their operational expense, and pit staff has been the prime target. Table game operations have eliminated the box person, increased the time a dealer spends on the table and has increased the number of table games the floor supervisor is required to oversee. Although the reduction in pit work force has led to cost savings, most executives fail to see the "non-tangible" cost, such as dealer mistakes, reduced levels of customer service and diminished coverage of game protection. I would suspect that the same casinos that carve back to the bare bone on the casino floor aren't sparing the surveillance department. I know of several surveillance departments that operate at least one operator short per shift because management is not allowing them to replace personnel who have quit. Some surveillance departments can't find experienced operators when they are allowed to hire. Average hourly pay has declined, and the only replacements the surveillance manager can attract lack essential gaming or game protection experience.

Earlier this year I was contacted by a reporter from a Louisiana

newspaper. He wanted my comment regarding a scam that took place at a casino in New Orleans. He explained that a dealer and several of the players at her table were arrested because she was paying the players' non-winning hands as well as failing to take money on a number of hands that the players lost. The scam took place over two nights and went on for approximately five hours before management noticed. At first I thought the reporter informed me that the dealer had overpaid or pushed hands totaling \$3,200 in illegal gains, but then I realized he said \$32,000! How could a dealer overpay hands and push losers for five hours, stealing a total of \$32,000, without it being detected by the floor or by surveillance? The reason behind the length and cost of the situation is unknown; however I knew that the casino in question had reduced the floor staff down to a point where each supervisor watches between eight and 12 games. I would imagine that the surveillance staff wasn't fully staffed either. I told the reporter that I would strongly suggest the casino set itself up for the loss. Its lack of floor coverage alone was enough to delay detection of a scam of that magnitude.

Cheating Scams Using Concealed Cameras

Optics and video have come a long way over the past decade. Lenses are tiny, but can view images on the same par as your home VCR camera. The ability to capture these images is unbelievable. Video recorders the size of a Bic lighter can capture and record 15 to 20 minutes at 15 frames per second (or more). I'm told there are software programs for phones and PDAs that can capture video at more than 200 frames per second. I've seen table game scams that have used camera lenses that peek through a tiny hole in a dealer's vest button or encased inside a hollowed-out cylinder that appears to be a stack of casino chips. Some of

these images are recorded directly to the miniature DVR recorder or a concealed PDA or smart phone. The data is later transferred directly into a computer after the dealer leaves the table and hands off the recording device to someone inside the casino.

In several incidents, the cheaters have recorded through a miniature video recorder, but transferred the data to someone away from the gaming table through IR signals or Bluetooth communications. In both instances, the data is transferred to someone with access to a computer. The data is viewed and analyzed, and the resulting data listed to an electronic spreadsheet to be transferred back to someone on the casino floor. In the case of recording cards in a baccarat game, the information is used by a cheater on or near the game for placing bets on the hands with known outcomes. In alternative casino games such as Three Card Poker, the information is not as detailed; the cheater can wear an earpiece and transfer the information verbally or through hand signals when standing a few feet away from the table.

Two scams of this nature that come to mind are the "Button Camera" and the "Cutters" scams. The button camera is worn on the dealer's vest or shirt and is used to record a series of cards during a manual card shuffle. The dealer hands off the camera and recorder to the cheaters once he or she is rotated off the table. More recent scams in California have the camera hidden inside a hollowed-out stack of casino chips. Sources inform me that the video recording is transferred via a wireless system to a cheater on the table and then off the casino floor for analysis. "Cutters" is a name for a group of cheaters from the Far East who use a camera positioned up the shirt sleeve of a cheater's deck-cutting arm. During the cutting process, the cheater riffles the index corners of the cards and records the index images. The concealed DVR

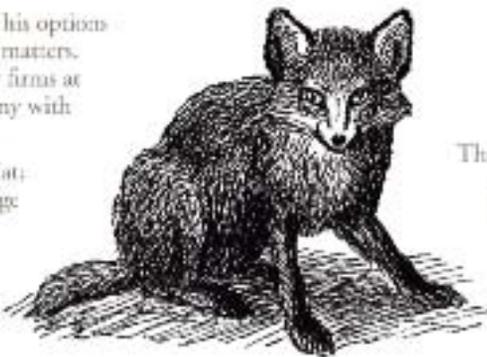
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THE FOX AND THE CAT.

A Fox boasted to a Cat of his options for handling separate legal matters. "I have a whole mess of law firms at my disposal," he said, "many with different specialties."

"I have only one," said the Cat, "but I can more than manage with that."

Just at that moment, they learned their businesses had been sued for infringement.



The Cat immediately called Watson Rounds.

"This is my plan," said the Cat. "What are you going to do?"

The Fox thought first of one firm, then another, and while debating he sank deeper and deeper into legal trouble.

The Cat looked on and said, "Better one quality firm than a hundred on which you cannot reckon."

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GAMING OPERATIONS ■ table games

recorder is taken from the casino floor area immediately after the cards are cut. Both relatively new scams have been ongoing for a number of years.

Using Social Engineering Regarding Game Rules and Player Incentives

Most of us are familiar with the term “social engineering” in reference to computer hacking; it’s the act of manipulating someone into providing the hacker with a sensitive password through misrepresentation or deceit. This same situation has been occurring in table gaming and player reinvestment. A perfect example of social engineering used to manipulate table game rules is the most recent advantage play centered on inconsistencies in playing card pattern known as “sorts.” Baccarat patrons convince management their superstitions require the dealer to turn up the cards in a specific manner that appears harmless. Deception occurs because the patron’s primary goal is to direct the dealer into arranging the direction of playing cards so that the manufacturer’s flaw on the playing card back will allow the players to identify key cards while positioned in the window of the shoe, or when laying unexposed on the table. A recent example is last year’s legal suit involving Crockfords Casino of London, England and professional poker player Phil Ivey. Don’t think for one moment that the Crockfords’ case is an isolated incident. Over the past several years, more than two dozen casinos in North America have been subject to the same advantage play.

Another form of social engineering attack occurs when casinos attempt to attract higher limit players. Known higher limit gambler Don Johnson, whose sports wagering business requires the use of statistics and probabilities, approached several Atlantic City casinos about allowing him to play under extremely liberal blackjack rules and higher limit betting conditions. These conditions included some of the most liberal rebates on loss and promotional chip incentives ever seen in the casino industry. Once Johnson was able to manipulate the first casino into agreeing on his terms, he rolled up two more casinos based on their desire for his action. The problem with this situation is that Johnson knew the rule changes, rebate on loss and incentive terms gave him a mathematical advantage over the casino during playing sessions of short duration. Johnson’s social engineering attacks, plus a little luck, earned him more than \$15 million.

The Casino Promotional “Virus”

Increased casino competition over the past decade has pushed casino marketing departments to develop new methods of

attracting customers. A number of these promotions suffer from the marketing department personnel’s failure to correctly calculate the cost of the promotion or from not putting pencil to paper in the first place. Others suffer by stealing bad promotions from competing casinos. This “monkey see, monkey do” mentality leads to a spread of infective promotions that are as widespread as the Ebola virus in Western Africa. Because of these recent promotional pandemics, there is more money lost annually in the gaming industry from badly structured casino promotions than from cheating and advantage play. A lot more!

For example, following is a description of a bad promotion that spread through and infected a number of casinos in Las Vegas about two years ago. In order to attract baccarat players, the marketing department personnel of a Las Vegas casino decided to offer customers a promotional incentive where they would receive 10 percent in single play or “free play” promo chips for any player making a cash buy-in or money placed on deposit of \$10,000 or more. To receive the free play promo chips, the baccarat player had to agree to play through at least two baccarat shoes at a minimum bet of \$200. The problem revolved around marketing’s “failure” to anticipate players whose intention are to “game the system.” By limiting hands played per shoe, the average “gamer” walked away with a theoretical return of \$150 to \$300. As more casinos offered this promotion, players wise to the terms followed the promotion around town like diehard fans on a Grateful Dead tour.

The cure for this promotional virus is a strong dose of knowledge, correct promotion analysis and understanding how the promotion can be gamed. The problem is that very few casino executives want to take the vaccination.

The Ever-changing Landscape of Table Game and Side Bet Mix

As of Jan. 1, the state of Nevada has approved more than 880 table games, versions of table games and table game side bets. Mississippi has approved more than 280 table games and side bets. In the last year, Nevada has approved 19 new table games or versions of table games and 25 side bets or version changes of the side bet. Accommodating the customers’ needs is a very good strategy for management; however, it’s a nightmare for floor staff and surveillance. Dealers need to be trained adequately in dealing any new table, side bet or new version of a game or side bet. The floor supervisor and the surveillance operator need to receive training on the new additions/changes as well. No one is about to calculate the amount of money lost because the dealer doesn’t

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understand the game/bet and any related payout schedule, or due to the supervisor or surveillance operator's inability to spot these shortcomings, but I'll bet it's quite expensive.

Another area to consider is whether the new games or side bets are open to costly advantage play. Several side bets come to mind, especially the side bets of EZ Baccarat's Dragon 7 and blackjack's Slingo Bonus Bet 21. Some of the smartest minds in the world belong to advantage players, and a group of these players make a great deal of money analyzing and beating new games and side bets. Too bad the game creators don't take more time to analyze how the game or side bet can be beaten before releasing it. That's where Dr. Eliot Jacobson and his website AP Heat came in. Jacobson, a former advantage player, looks at new games and side bets and looks for different avenues for successfully attacking these new gaming options. For more new game/side bet protection advice, go to www.apheat.net.

Availability of Cheating Equipment and Devices Found on the Internet

Want-to-be cheaters no longer have to go through dark alleys and underground sources to buy cheating equipment. From infrared daubs and lenses for marking cards to playing card holdout machines, anyone can purchase cheating equipment through the World Wide Web. In the past, cheaters looking for illicit concoctions, equipment, cards or dice had to have access to someone involved in cheating or the ability to develop the necessary supplies themselves. Today, one can find anything on the Internet. One of the latest card marking scams involved marking daubs, lenses and instructions purchased from an Eastern

European supplier via the Internet. Without even trying hard, I was able to find more than 30 Internet links that could supply me with a number of card marking daubs from UV to infrared, and the lenses or glasses to go with them. I've found links to playing card holdout machines that can be used to cheat baccarat and poker games. I've located sites where I can purchase video cameras and recording devices. There is also a location for purchasing dealing shoes that use a prism for dealing seconds. They all take PayPal or major credit cards.

If you are confused as to how the different cheat devices and equipment work, you can scroll over to YouTube. Learn how to mark cards, operate playing card holdout machines and correctly use the computerized "Hold'em Analyzer." If a person has larceny in his blood, he can find anything he needs on the Internet to cheat any table game in your casino.



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