

3:00 - 3:45 p.m.

Terry Lanni, Chairman and CEO, MGM Mirage

Chris Scherf: I appreciate everyone coming to one our unusual afternoon conferences, but I can tell you there are only two speakers in the world we would have interrupted your afternoon for. One is Stan Bergstein, and we have already heard from him. The other is a gentleman that brings a unique and rare understanding of the gaming industry and horse racing, and if we were going to have someone opine on where we are headed in the gambling and the racing industry, its possible role in that, and preparing for the future in an age when tomorrow is drastically different from today and it is constantly changing, we could not do better than with today's speaker. He is the Chairman and the CEO of MGM Mirage. We have no shortage of attention from the hotel staff here at the Bellagio, making sure this room was set up nice and neat because we have the boss here. He has a long history in the casino business, dating back to when I first met him, when he was President of Caesar's, and then he has been instrumental in the conglomerate that MGM Mirage has become in the gambling business. You look out the doors here and you see that empire, how it has grown, and how it has been built, and then this magnificent hotel. He also has a keen understanding of our game and our business. He is on the Board of Directors of Del Mar Turf Club, has been for four years. He has owned a couple of Grade 1 winners and a Breeders' Cup winner, and other horses that have had success, but I do not want to cut into his time, so please welcome Terry Lanni.

Terry Lanni: Thank you, Chris. I think the best characterization of my ownership of horses is probably best related in a fellow named Joey Brown, who probably all of you are too young to remember, but Joey Brown used to bet on horses and owned horses. He said, "You know, I follow horses, and my horses follow horses." That is probably more of a factor, but it has been a great and fun existence.

I really appreciate the Congress invited me to speak today and I appreciate the fact that hopefully Bellagio has been the wonderful hotel that we think it is for you as it is for us. We are pretty proud of this hotel and the people that are part of it.

We have 71,000 people in our company; I would say it is a 50/50 relationship. They do all the work, and I take all of the credit. That works for me, and hopefully it works for them, but they do a great job for us.

Chris, as he introduced me, did ask that I speak a little bit about my outlook for racing and gaming. I am a little trepidacious whenever I come before a horse racing group because I

remember when I was asked to speak in 1990 or 1992, where there was a TRA convention here at the Hilton hotel, and I spoke to a rather quiet audience that day. What I had said is that when you think about horse racing, you think of it as the Sport of Kings, but when you look around the world right now, there aren't that many kings left. You really need to take a look at it, and frankly my message that day was that you really needed to reinvent yourselves and that you had to think about other forms of gaming. I related a lot to California racing because that is really my experience over most of the years, and I had pointed out at that time, with a significant amount of under appreciation I might add, that when you thought about the fact that racing in California was in a position to say that it was really a monopoly for so many years, as it was in many states. When the lottery came along, and I know those are the people who are here who are part of racing in California remember the lottery people felt that they needed horse racing to support them because horse racing was financially very opposed to bringing the lottery to California. They frankly offered horse racing a piece of the pie, if you will, if they would drop their objection. In most of the polls, it indicated at the time that the lottery was going to win. As it turned out, it did win overwhelmingly. Racing did not get a part of it, and I think that was a mistake in that regard. I think it was Talleyrand who said the art of being a statesman is the ability to foresee the inevitable and thus to be able to expedite its occurrence. I think maybe some of that viewing and thought process might have been better received at the time.

In spite of all of that, there are those of us who still love horse racing, and I know each of you in this room does, as many other people do. I think there are some issues that I would like to chat with you about. As I mentioned to Chris, I would like to speak actually for a reasonably brief period of time, which is indeed difficult for me to do. I will attempt to do that today, and then allow more time for questions and answers, or as I prefer, answers followed by questions, but I think we will go with the other.

I want to talk about two things. One is the Internet, offshore wagering, and its effect as I see it on racing and on our gaming, as far as the casino industry is concerned. Then a little bit about racing and casinos, and I think that we should understand that we are really, as individual industries, very similar. I want to talk about some of the similarities and a few of the differences.

I think that we are both, as industries, casinos and the racing industry, very much threatened by unregulated, unlicensed and untaxed offshore gaming sites. It is kind interesting, I served on the National Gambling Impact Study Commission, used a lot of your federal taxpayer

dollars for that purpose back in 1998 and 1999. In fact, we had a meeting at a Del Mar Racetrack. It was one of the only racetracks that we reached out to and actually talked to, because we were actually engaged to study all forms of legalized gaming in the United States. While we were there, not at the Del Mar meeting, but the meeting immediately following that, I did not know much about Internet gaming, and we had a subject matter of that to discuss, and we brought some people on board to come and testify before our commission. It was fascinating. One fellow came forward, the very first speaker, and he had indicated, based upon a Ropers' Survey that had been done and commissioned, that of the people who wagered on Internet gaming sites, this was back in 1997, that 60 percent of the people who were willing to wager and placed wagers had significant questions if they would be paid if they won. Now I said to myself at that time, this is a business. If someone is willing to place a wager and they have to win it twice, by winning the bet in the first place, and then hoping that the person that was taking the bet was actually going to pay them. It was also estimated; we learned at this particular commission that 96 percent of all sports wagers made in the United States are made offshore. That, I think, is a pretty significant factor in itself. Just recently the Super Bowl, as we completed it last Sunday, it is now estimated for the year just completed--and obviously these are estimates because the information is not provided to us on the basis of formal situation because some of these are very small entities, some are public--but it was indicated to me that there were some 2,000 sites offshore that accepted wagers on the Super Bowl. Comparing that to last year's estimate for the Super Bowl, there were 500 sites that had accepted wagers. The estimate of handle this year was twice what it was last year. The estimated handle by offshore bookmakers, if you will, was \$1 billion. Now you think about the properties we had here in Las Vegas within just our company. We have 12 properties here in the strip and up in northern Nevada. We do about 25 percent of the Nevada handle in sports wagering, and at about 23 percent on horse racing. On the handle, our handle was \$24 million. The state of Nevada handled \$95 million. A lot of people think Nevada handles all this money when these major events take place. That is not the case. We are, as an industry, we are about 9-9.5 percent of the monies wagered on the Super Bowl as you compare it to the monies wagered offshore. Some of these offshore companies are publicly traded, as I am sure you are familiar with. One is Party Gaming. It is kind of interesting, if you want to take a comparison. Take our company. We are publicly traded as New York Stock Exchange Company, MGM Mirage. I will compare the two, MGM Mirage and Party Gaming. Our revenues are

approximately \$7.5 billion a year in our company, and our ebitda is about \$2.5 billion, which is a 33 and a third percent ebitda, which frankly, we are pleased to say is the highest in our industry. But on a comparative basis, Party Gaming, in 2004, their 2005 figures have not been released yet, had revenues of \$600 million that year, and \$400 million of ebitda, a 67 percent margin. If you think about it, they have very little debt, if any, probably none. They have no interest, therefore, to pay, and that drops pretty much to the bottom line. But the most startling statistic is to compare the two companies on the basis of their market caps as they are today, and I checked Party Gaming just before I came in. MGM Mirage's market cap is \$11 billion. Party Gaming's market cap is \$10 billion. This is a significant business with very little overhead and very little cost associated with the operation of it. Unlike the Internet sites, casino operations and hotel/casino operations have significant capital investments, significant employment bases, and many organized labor unions to deal with. We are individually and therefore collectively, taxed, licensed, and regulated. Public offering documents, and I picked these up on Party Gaming, and maybe some of you have read these also, it is kind of fascinating to me that they disclose in their public offering on their IPO that they estimate that 85 to 90 percent of their income comes from wagers placed by people in the United States on the Internet, which according to the Attorney General of the United States and the Justice Department is clearly illegal. Yet, they are listed on a very large stock exchange, the FTSE in the United Kingdom in London. They have significant ownership by major institutions here in the United States, who hold them in their funds. Now what has happened as far as the government of the United States? What is the Attorney General of the United States doing in this matter for enforcement? Basically, they are not going after the bettors. They have decided to just kind of ignore the people placing the bets, and they have done nothing about the US firms that hold equity in stock or bonds of debt of these particular companies. It ranges in the hundreds of millions of dollars that these people have that they are holding. Only an occasional operator comes into the US with the idea that he is going to challenge the situation. Mr. Cohen did that, and he lost in court and they actually placed him in jail.

What is Congress doing about this? I know some of you are from the state of Arizona, and I am sure Jon Kyl is a very nice human being; I am not so sure he is as thoroughly engaged in understanding this issue as he might want to be, and for ten years he has attempted to pass an Internet ban. There are all kinds of questions, as you know, about Internet bans, if it falls under

the wire act of 1961, when people did not even understand the Internet was going to be created. He appeared on a 60 Minutes segment a couple of months back, in which he said that this is evil and it must be outlawed. In the next breath, he said, "But, you know, it really can't be enforced, but the law should still be enacted because it is the right thing to do." I personally believe that it is absolutely a farce for individuals to want to pass bills and have them signed into law that the government has no ability of interest in enforcing. I think that is a foolish way to do it. He is trying now to include it in the lobbyist reform bill. I am not quite sure how that fits in, but he wants to throw it into that particular area, and that is what his current attempt is. Recently, the national professional sports organizations and the NCAA sent letters to the Congress of the United States endorsing this particular provision. Of course, that was before the National Hockey League found out about its problems just yesterday with forms of gambling, again, which are illegal. The problem with all these issues when it comes to illegal gaming in the United States, and the problems we have with Jack Abramoff and some of the issues of contributions that have come into the area, they come from certain individuals. What happens is that it permeates our entire society. If something goes wrong in gambling, casinos get blamed. If something goes wrong in anything with gambling, the racetracks will also be blamed, and that, to me, is a significant issue. When I actually appeared before this National Gambling Impact Study Commission, I said, "I really have not focused much on the Internet gaming," but I have spent a lot of time since then, and I am one who believes that when you have 2,000 sites, up from 500 in a period of 12 months, this is indeed a very significant business. You have publicly traded companies on stock exchanges in the Far East, and in Europe, including the United Kingdom. Obviously, it is a multi-billion dollar business. I think it is ridiculous that we are not allowed to participate in it. I think it would be far better for all of us, racing, and the gaming industry, if you would license it, tax it, and regulate it, and give us the opportunity to participate in it. I think it is very fair to say that if we could utilize the brands of racetracks or the brands of casino companies, those 60 percent of the people who wager now who are fearful of getting paid if they win would be far less fearful of that, and it would be far better for all of us. What can happen is a real ugly thing. It could permeate the rest of our businesses, and that would be really a problem.

The second issue that I wanted to chat with you about today, before we open this up to some questions, would be the real similarities of our business. Both of us, whether we like to admit it or not, are in the gambling business and we are also in the entertainment business. To

grow and prosper in our respective industries, it is my belief that we have to excel at both. In 1977, when I joined Caesar's world as CFO, 85 percent of that company's revenues came directly from gaming and 15 percent came from non-gaming. Now, that was a time when basically the casino was making enough money, and the properties did not cost that much to build. Caesars Palace was built in 1966 for the tremendous cost of \$15 million. Now we spend that much on a restaurant. What they did, is they said, "We can afford to give you the food, the beverage, the rooms for free because we are making enough money in the casino to cover that." Now our projects can cost a lot more than that. We have announced recently a project which is \$7 billion, which is a privately financed project just south of Bellagio and north of our Monte Carlo project. It is a mixed use development. It is actually the largest privately financed project in the history of the United States in any project privately financed. It is going to be a 4,000 room hotel/casino, 2,902 condominium units, two boutique hotels, and 550,000 square feet of retail. Once you start investing that kind of money, you have to realize that everything has to pay for itself. When you look at our revenues, and I mentioned to you earlier that our revenues are about \$7.5 billion a year. I think anecdotally you would think most of those revenues came directly from gaming and not from other sources. Interestingly enough, in the budget that we just approved yesterday at our Board of Directors meeting, of that \$7.5 billion, only 42 percent of it comes directly from gaming. 58 percent of those revenues come from rooms, food, beverage, retail, and entertainment. So I have seen a dramatic shift from 1977 to 2006. We were at 85 percent of the revenues from gaming and 15 percent non-gaming to a point now where it is almost 60/40 in reverse position. That is a significant change, and it is not unique to MGM Mirage. You will find all gaming companies moving much more in that direction. This particular property, Bellagio, is a perfect example. 75 percent of its revenues come from non-gaming sources, 25 percent directly from gaming. I think that racing has to think much more and about expanding into entertainment as a component. I think people truly want to be entertained. We came to that conclusion some time ago, because generally when it comes to the gaming side of life, both at the racetrack and in a casino, the racetracks own the buildings and we own the casinos, the players don't, and generally they are not winners. They want to have a good time, and if they have a good time, that aspect of losing becomes far more palatable. I think people also want to be very involved in sports. And entertainment in our industry, more so than frankly the racing industry, is found in food and beverage. You look at what we have done as a world

and as a country and as an industry here in creating celebrity chefs and the mystique that goes with that particular aspect is a very important factor in life. Even retail, with the interactive sales presentations that occur in stores these days, retail becomes an entertainment component. It is all part of the fact that people truly want to be entertained. I think casinos are pretty fairly simple and straightforward. Some of our games are intimidating, but not really that many. Probably craps is pretty tough for people, but roulette is not too difficult to understand, a slot machine is pretty easy to understand, and I think that is a factor. Racing, to me, is a little too much data driven, maybe too many imponderables. To me, also, if you come to the area of racinos, and as much as we believe and we are looking forward to the opportunity with our partners, NYRA, who are here today, to operate the slot machines at Aqueduct and then hopefully at another track, maybe at Belmont. We think that will do well. I think it would be a very successful operation for both the state of New York, for NYRA, for horse racing, for the owners, for all aspects and the different constituencies, but I do not think it is a long-term solution for what racing would need. If you think about, that racinos themselves, if you live by that and think of that as a long term solution, it will not be because the uniqueness will disappear. What happens is, you put these in, people are going to understand it, then the bars are going to want to have them, trucks stops are going to want them, probably the churches will want to have them. They have bingo; they might as well have the others. At some point, they will be ubiquitous, and when they are, it is no longer unique. I think that what has to happen, and maybe it is a short-term fix, but what you really need to do is to work on the product, work on the entertainment component of that product as you take the advantage of the slot machines so that you have life after the fact that they are no longer going to be unique. I think another issue which is a little off course, but I want to mention it as an owner, I think the other fix that needs to occur, and I do not have the answer to this, but I think it relates to the prices of the animals. I think what is happening when you are looking at the auctions these days, and I know that not all rising tides carry all ships, and in this case, horses, but the fact that you take a look at some of the prices being paid for horses, and you take a look at the ability based upon the purse structure for anyone to ever recover that money or from the breeding shed to recover that money, I think it is very difficult. I do not know the answer to this, but I do not think the purses that exist right now or the breeding receipts will support that level of dollar value that is being expended for the purchase of these horses. In 1991, I think it was, there was an article. They had done a survey and a study that pointed out that in California the prior

year, in 1990, that 90 percent of the owners of thoroughbred horses lost money. That is not a business that can sustain itself very well if that is the vast majority of the investors, if you will, in that part of our business are losing money. As I say, I don't have the answers to this one, but I think egos are significantly involved. I would conclude by saying that racing and casinos have had and will continue to have many challenges. I think that is alright. It is good to have challenges because it is an opportunity to deal with them. I think when you have a situation where you have a monopoly, you get fat, dumb, and happy. At date, I think casinos have been more aggressive in adapting to the changing times and conditions of the ages. It remains to be seen if enlightened racing organizations are willing to answer this call. I know the talent is there. I think the willingness is there, but I haven't seen the delivery system yet, and I would hope for the good of racing and the future of racing that delivery system will come forth. So I thank you and would be more than pleased to respond to any questions that you might have on any subject.

Question: (inaudible)

Terry Lanni: We are very interested in it. I received a phone call from Senator Bruno at some point a time ago, and he said he heard rumors that we were no longer interested because of all of the delays. The franchise itself is not the issue, but as operating with our partners is our main interest, and that is our focus. We are not in the horse racing business. We think we have a symbiotic involvement together, but it is not our intent to talk about the franchise of the organization. We are looking forward to being a partner with NYRA. We have an agreement, and we think that we can really, one, working with NYRA, significantly improve the results of that organization, and as I said earlier, be significantly helpful in developing the other aspects of racing in New York. We would hope that with NYRA we would have the opportunity to be a partner in the situation at Belmont. But the franchise itself, that is really for the state of New York to decide, and that is really not our interest.

Question: (inaudible)

Terry Lanni: Well, I feel a little compelled to say I was a member of the Board of Directors of Magna, so I really probably should not say too much about it, but one thing I have noticed about

horse racing is that there are a lot of critics and a lot criticism. I think it is great for people to take chances, opportunities, take a look at how you are going to do things. Now I may approach it in a different fashion than maybe Magna Entertainment is doing it, but I congratulate them for being aggressive, talking about looking at other opportunities. I know that Frank Stronach and his people are very interested in doing that. The application, the manner in which it is done, I might do things slightly differently, and maybe even significantly different, but I applaud them for their willingness to reach out and do things and to try to see new things. I think too many times in racing, people criticize anything that is a change. I think you have to test different things to see what works and what does not work. What may work in one part of the country won't work in another. We find that in our business. I think every business understands that. I am not trying to be a critic. I think more can be done. At least they are doing something.

Mr. Levy: (inaudible)

Terry Lanni: Now, Bob, that is an interesting question you asked because one of the things that I have always thought was one of the most inefficient aspects of a racing operation is that you do not operate generally 365 days a year, but when you do operate, you are operating only one third of a given day and you are not operating seven days a week. I think there is where you really need to see mixed use development, where you find other things that can take place. You don't have the ability to have racing 24 hours a day, other than simulcasting, and things of that nature. Again, I think it is that mixed use of the particular facility so it is not down so much. You really are only getting about one sixth advantage right now, or utilization, of what is 315, 330, 340 acres, and that is not the highest and best use of that. I think some of the things that Rick Caruso has suggested, for example, out at Santa Anita are intriguing in that regard, where you would have the entertainment components, you would have retail components that would continue into the night, would work not 24 hours a day, but a much more elongated period of time than currently exists. I do not know if that is your answer, but...does that answer that, Bob?

Question: (inaudible)

Terry Lanni: It is a different world. No doubt about it.

Question: (inaudible)

Terry Lanni: They do. Now, they don't bring 24 hour a day action. You don't have full utilization, obviously, at 4 a.m. in the morning, but you do have some utilization. There is no doubt about that, and that is a critical issue, and how you deal with it is not easy, but I think part of it is trying to extend that day. I think through simulcasting, we have the ability to bring racing in from all around the world, so that picks up interest. I remember going out to Santa Anita early in the morning to watch the Arc de Triomphe at about 4:30 because you wanted to watch it, and some of the races coming from Longchamp. I mean, there are some opportunities, and I do not think you can automatically replicate it, but if you have slot machines there, that will allow you to that, hopefully for 24 hours a day, if they do not have that restriction, wherever it might be.

Question: (inaudible)

Terry Lanni: You mean the Internet gaming aspect? I think the answer in the Internet gaming is that practically and realistically, the way this is going to be solved is that it will have to be solved through the court system. The US Department of Justice has been very careful about cases that they do not do well with, about letting them go on to the Supreme Court, because they are fearful of losing them there. They have had some decisions where they won that case. I cannot remember which one it was. It may have been in the fifth circuit? Is Florida the fifth circuit? I am not sure. There was one case in which they ruled that sports wagering was not allowed, but it said that any other form of gaming is not nearly as clear. I don't think they want those to go up to the courts. I think they are very fearful of that. They have until April 1 to resolve the GATS issue that they have with Barbados at this point, and they have to come up with their resolution. Now, Barbados, from an economic standpoint, embargoing whatever we sell or bring in from there is not going to have much effect on this particular country. If there is a case brought by the UK, for example, a major trading partner of this country, I think it could have significant effect, and the GATS has determined that what the rules are as far as blocking the wagering is the restraint of trade and it should not be allowed under the GATS agreement. I don't think they want to test that either, but I think the best way to have a chance to have it allowed, and I think it should be

allowed, as I said, is through the court system. I don't think we will get that through the congress of the United States because it is too difficult of a political football to deal with, especially when it comes to the religious right. Yes sir?

Question: (inaudible)

Terry Lanni: One thing is, you know, I say this because I am a little bit more familiar with it; Del Mar is a perfect example. If you go down to Del Mar, there are some very young people down there. Now they have the advantage of operating during the summer and they are a coastal town. That is a big advantage in that regard. I think young people, generally, wherever it is, even if it is not at Del Mar and the beautiful setting there, they want more action. They want more things happening, and when you go to a racetrack, very frankly, we enjoy it, but a lot of people find it very boring. I bring new people into the racetrack, and they do not really understand it. They feel very disadvantaged when they see all these people with all their sheets, and this sheet and that sheet, and this thing, and they say, "Wait a minute. I have no chance here. The odds are stacked against me." I think it is providing generally more forms of entertainment that are participatory for people so it is not just racing. It is really what we have done in our industry. It is not just gambling. When the studies are done, the last time the Las Vegas Visitors and Convention Bureau issued its report, gambling is now the number three reason why people come to Las Vegas. Number one is entertainment, number two is retail, and number three is gambling. I think the best way to get younger people involved is to make gambling not that important as a reason for people to come there. What you would love to have, and again, if it weren't for the restrictive nature of our government, which I think is ludicrous, you would allow sports wagering at racetracks. People love to bet on sports because they love sports. I just find it so disingenuous when I see the NCAA and the NFL and all these other associations say that they would love to outlaw gambling. If they could literally outlaw gambling and not allow anyone to wager on any of their teams, I would take the bet on the low side of this how many people would show up for these games and how many people would turn their televisions on to watch them if they literally could not bet on them. If they did not have gambling, they would not have the sports that they have, they would not have the television contracts that they have, and they would not make the

money that they have. They are the most disingenuous group of people in the world, in my opinion.

Question: Just one or two thoughts on mobile technology, and how that plugs into your strategy, and secondly what are the properties doing to reinvigorate the sense of community within the entertainment experience?

Terry Lanni: I don't quite understand your second question, and the first one, I would tell you, if you talk to my two sons, they will tell you I am no tech. I think I am low tech, and I would like Glen Bonner, our IT guy, to give you the answer on what we are doing on mobile technology. I am still kind of amazed when I go from one time zone to another and my cell phone changes times. I think that is pretty impressive. Give me your second question. I have a better chance of answering it.

Question: So, for instance, things like Myspace. Are you familiar with Myspace?

Terry Lanni: I am.

Question: There is a lot of movement with getting the younger generation to feel this sense of community on the Internet. Exchanging information and profiles, entertainment experiences, dating, music, video, and I am just curious if there is any sense of that that is occurring offline? Are there any lessons learned from the Internet that can be applied to the gaming world in casinos and also across all of your properties? As I think you might have learned, that might apply to horse racing.

Terry Lanni: We have a group of people actually your age and younger who are involved in a very similar project for our company. They came out of our Mandalay Bay acquisition, and they are working on this kind of technology that they would like to see us apply. It is really at a very early stage for us. We are a little Neanderthal in many of these things, but we do believe that is going happen more and more. The aspect of the difficulty of every large city in the United States to move around anymore, and the fact that you have text messaging and everything else, it does

not matter much where you are anymore, and you can take a lot from the Internet. You can take a lot from all this technology that exists now and apply it, but we are in the very infancy stages of dealing with that. I think there is a great future for that. I think it is clearly what is going to happen in the future and it will not be just young people. I think it is going to be a lot of other people, and you have got so many people around the world, the global economy and the aspect of what you can do. I think also if racing and our industry would think more globally, we would be better off. We should think about how we can interact and what we can do with other people in other parts of the world, and you could deal with some of those issues in time zones that Mr. Levy was talking about. It is really very early for us, but I think it has a great future, and I wish I were more capable of talking about it in more detail. If I had a couple of the young people here we could.

Question:

Terry Lanni: We did actually operate for a brief period of time in the Isle of Man an Internet site, and we promised our regulators in the various jurisdictions where we operate that, one, we would have an Internet site that did protect against people wagering from jurisdictions that did not clearly approve Internet gaming. We proved that very well. We knew that we had regulators from Nevada and New Jersey who tried to hack into our system and they admitted to us that they were unsuccessful. Secondly, we had a geographic aspect of it, sort of geolocation for determining if the person was coming from that and that worked very well in that regard. We had a problem gaming component, and we had an age verification component. All of it worked very well. The only problem was, and it kind of comes back to what this gentleman said before, younger people and other people want to get through things quickly. They are very impatient. Our process, going through the various steps, was so long that people just logged off and gave up at some point. We proved to ourselves that it would work, but it could not make any money. We decided to close it down, wrap it up, put a bow around it, and then go into the process, as we are now, in finding a way that we think it should be legalized, regulated, and taxed. We think that would be far better, and I think it is so foolish for the government. You have a government, this government is so deficit ridden, and here you have an opportunity of a multi-billion dollar business with people who are willing to be taxed. You explain that to me. So we just didn't make

any money. That was the problem. I thank you very much. Have a great stay at Bellagio and come back many times.