

Harrah's Chester Casino & Racetrack



April 2010

HARRAH'S
ENTERTAINMENT



Harrah's Chester Executive Team Members

- Vince Donlevie
 - ❖ SVP & General Manager of Harrah's Chester

- Anne Allman
 - ❖ VP of Operations and AGM

- Michael Vinci
 - ❖ VP of Finance

- Marvin Fox
 - ❖ VP of Marketing

- Shonette Harrison
 - ❖ VP of Casino Marketing

- Robin Roberts
 - ❖ VP of Human Resources

- Robert Guidice
 - ❖ VP of Table Games





Agenda

➤ Vince Donlevie, SVP & General Manager of Harrah's Chester

❖ Facility Modifications

- Tables
- Poker
- Noodle Bar
- Floor Expansion

❖ Employment Opportunities

❖ Economic Impact

❖ Code of Commitment



➤ Robin Roberts, VP of Human Resources & Shonette Harrison ,VP of Casino Marketing

❖ Diversity

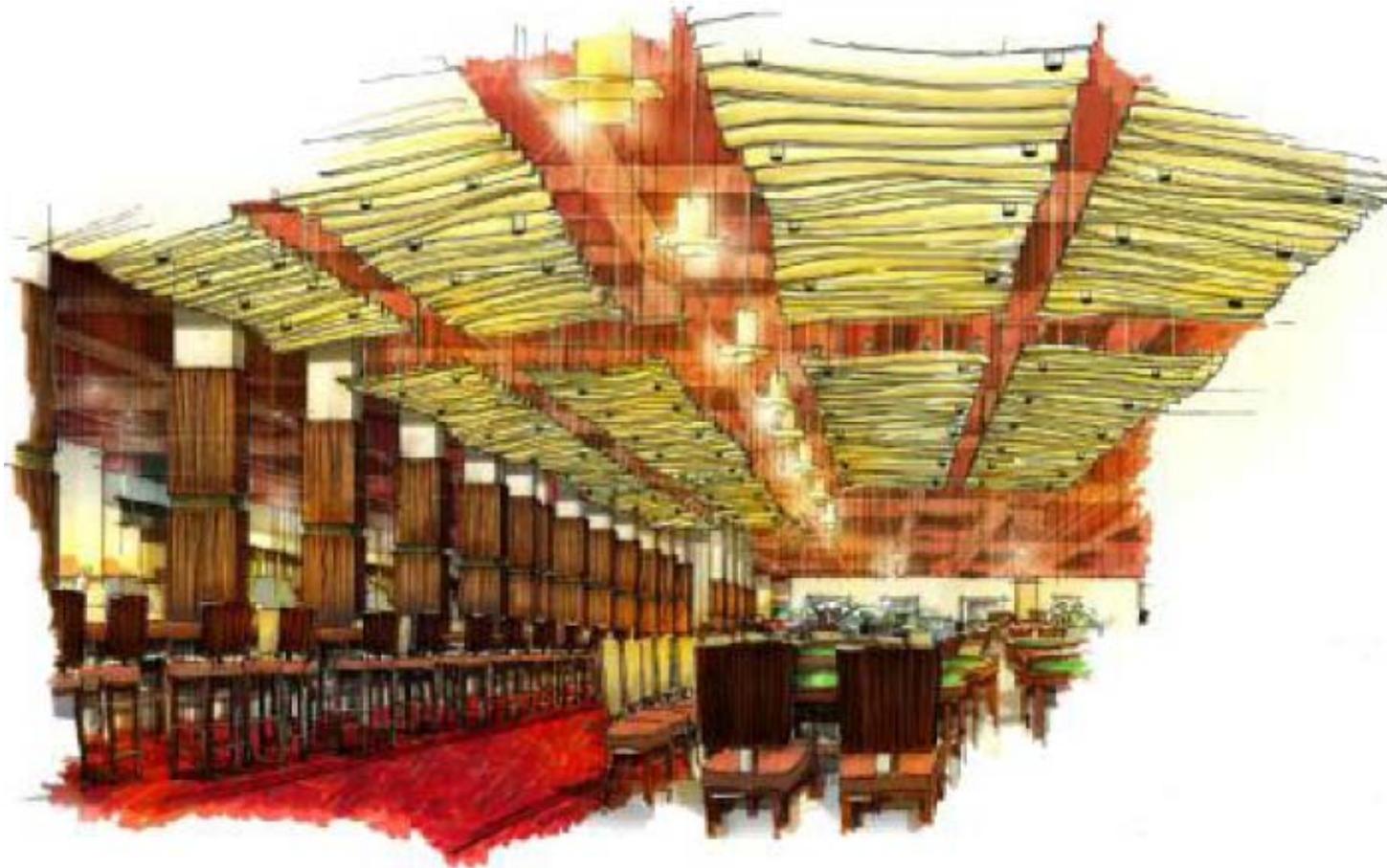
❖ Closing

2010





Casino Floor



Poker Room

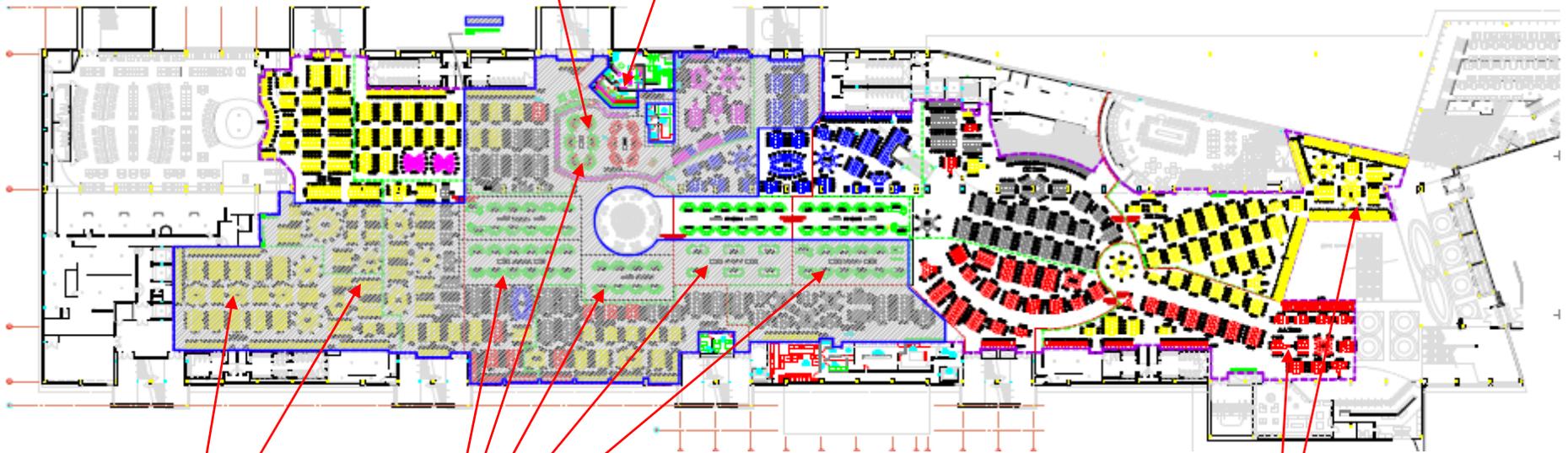


High Limit



Floor Layout

High Limit / Noodle Bar



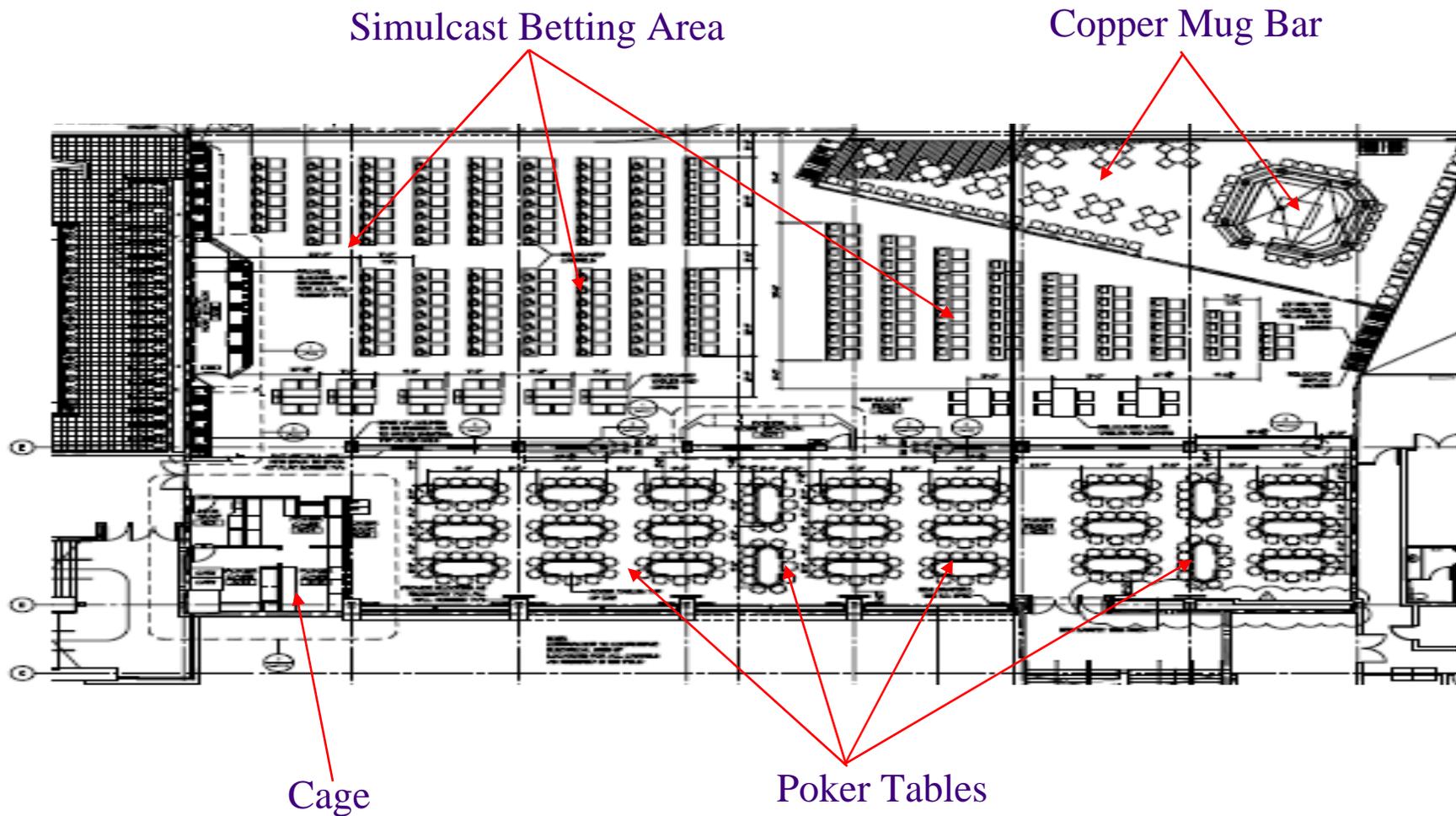
Floor Expansion

Tables

Floor Expansion



Simulcast / Poker Room Layout



Casino Floor

High Limit / Noodle Bar

Poker Room

Harrah's Chester Development / Expansions

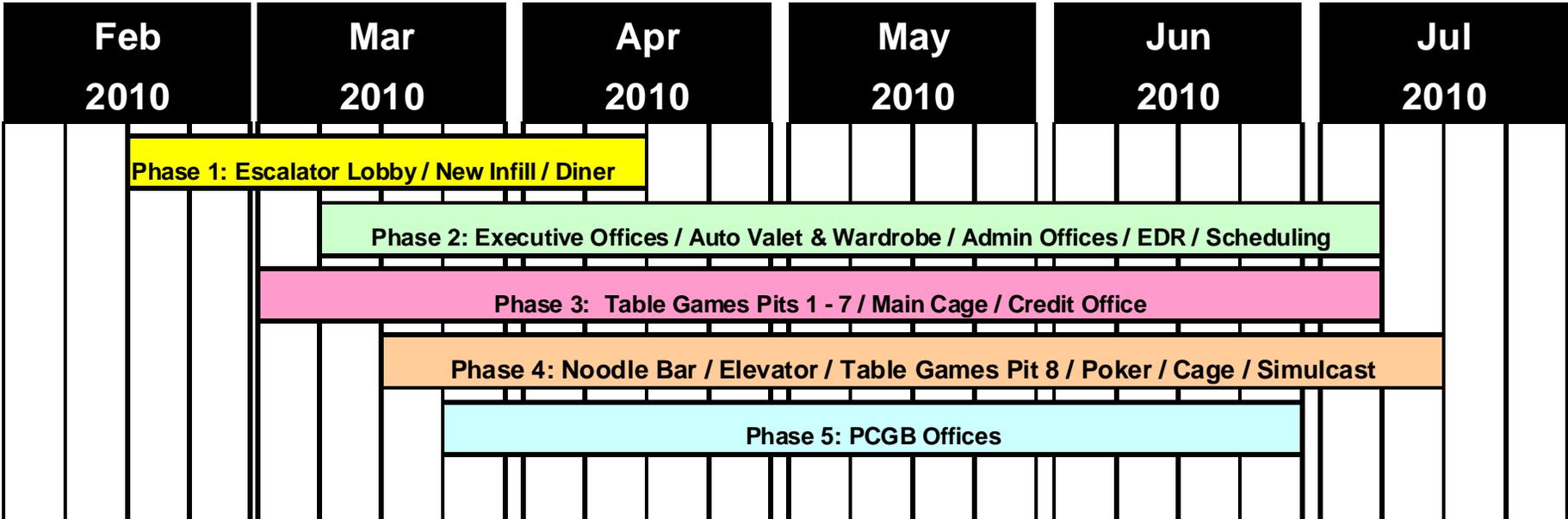




Table Games – Development / Expansions

By July 2010, 86 New Table Games & a new Poker Room will be in service at Harrah's Chester

- Phase 1.....February 16th to April 16th
- Phase 2.....March 8th to July 8th
- Phase 3..... March 1st to July 2nd
- Phase 4.....March 15th to July 13th
- Phase 5.....March 29th to June 30th



Overview of Table Games Expansion

- 86 Gaming Tables (Initial Offering)

# of Units	Game Type	# of Units	Game Type
6	Craps	6	Three Card Poker
6	Double Zero Roulette	2	Four Card Poker
51	Blackjack	2	Let it Ride
6	Midi Baccarat	2	Ultimate Texas Hold'Em
2	Mini Baccarat	2	Pai Gow Poker
1	Big 6 Wheel		

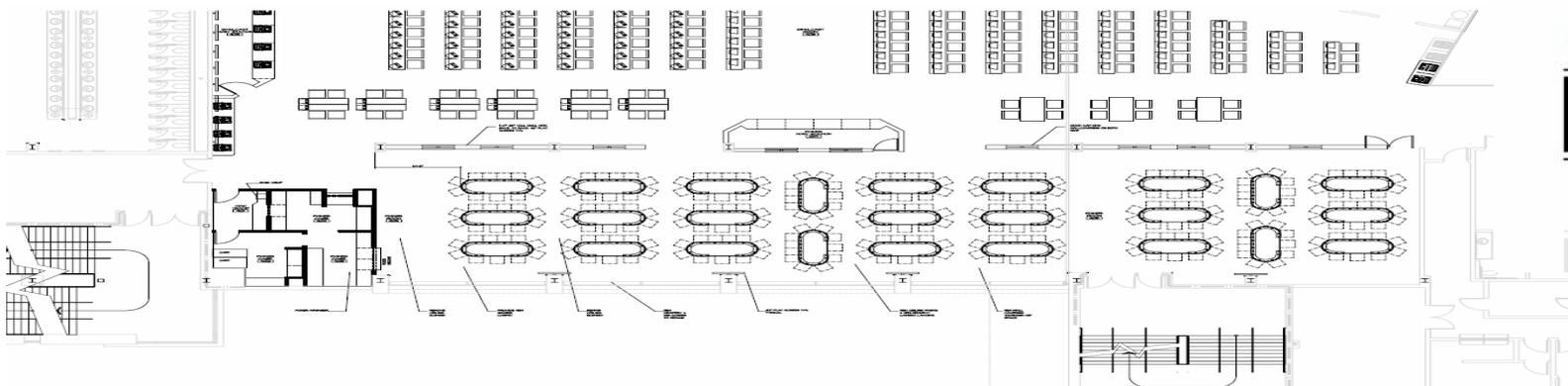


- High Limit area to include 6 Blackjack style games and 6 Midi Baccarat



Overview of Poker Expansion

- 25 Poker Tables
- Additional Poker Room Cage
- Bravo Table Management System
- Installing 9 state of the art plasma screens

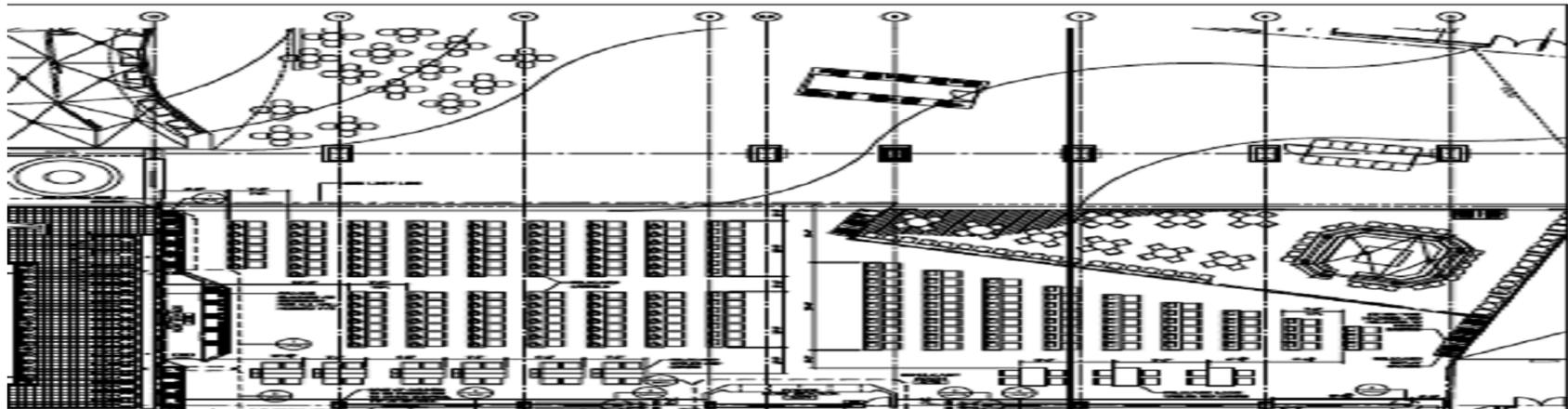


Overview of Harness Racing

- 140 Live Race Days (April – December)
- 12:45 pm Posts Time (Wed, Thu, Fri, and Sun)
- Year Round Simulcast
- Advance deposit wagering on the horizon
- Installing 34 state of the art plasma screens

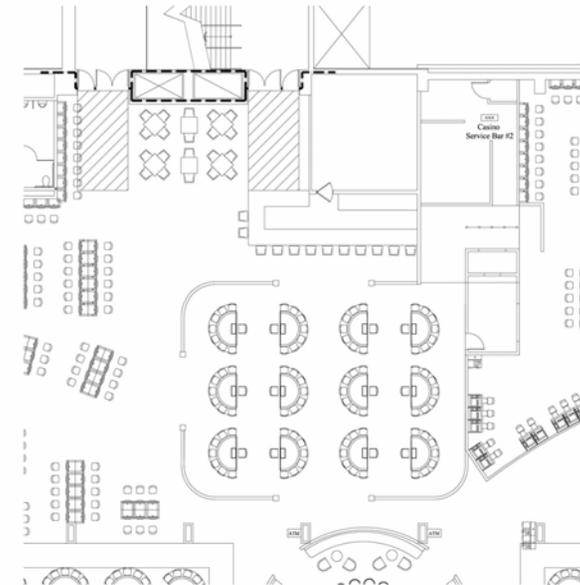


Buck I St Pat and driver Tim Tetrick close in on victory at the Maxie Lee Memorial Trot



Introduction of The Noodle Bar

- 25 Customer Seating Capacity
- Conveniently located in our High Limit Section
- Creating ~ 13 new jobs for outlet operations



A horizontal banner for Harrah's Entertainment. It features a collage of images: a chef's hands holding a plate of food, a person on a golf course, a slot machine reel, playing cards (aces and hearts), and a showgirl in a white feathered costume.

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A horizontal banner for myHROnline. It features a background with colorful balloons (pink and yellow) and a film strip on the right side.

my **HROnline**

Creating Job Opportunities

Get Me. Guide Me. Root For Me.



Creating Incremental Jobs

- Estimated Tables and Poker Staff:
 - ❖ Over **500** Table Game Employees
 - ❖ Over **100** Poker Employees

- Projected growth of existing departments:
 - ❖ Over **50** Additional Full Time Employees

- Projected Incremental Payroll ~ \$16.4 M



Table Game & Poker Positions Include

- | | |
|-----------------------------|---------------------------|
| Vice President | Dealer (Tables and Poker) |
| Shift Manager | Pit Clerk |
| Assistant Shift Manager | Coordinator |
| Supervisor (Tables & Poker) | |

Recruitment Update

- Conducted 1st Internal Job Fair → March 5, 2010
- Conducted 1st External Job Fair → March 15, 2010
- A total of 7 Career Fairs to be conducted
- Dealer School → On property at Harrah's Chester
 - ❖ Free Training with **NO** out of pocket cost
 - ❖ Craps Table Training start date → April 19th
 - ❖ Curriculum approved by PGCB





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Impacting Our Economy

Table Games Economic Impact

- Incremental Gaming Taxes over \$10 M
 - ❖ Incremental City Wage Tax ~\$400 K

- Projected Payroll ~ \$16.4 M
 - ❖ Exclusive of Tips

- Capital Investment Cost ~ \$35.5 M
 - ❖ License.....\$16.5 M
 - ❖ Project Capital.....\$19.0 M



Major Accomplishments

- **Generated over 10.7 Million visitors Life to Date**
- **Paid over \$492 Million in taxes since opening**
 - ❖ Over \$348 M to the state (34%)
 - ❖ Over \$46 M to the Economic Development & Tourism Fund (5%)
 - ❖ Over \$78 M to the City and Variable tax (4% each)
 - ❖ Over \$117 M to PA Race Horse Development Fund (12%)
- **Donated \$1.3 Million in Charitable Contributions**
- **Over 1,000 jobs created**
- **Grew to 3,000 slot machines since opening**
 - ❖ Opened with 2,744 machines
 - ❖ Introduced 118 Electronic Table Games
- **Spent an estimate of \$80 Million to Pennsylvania businesses for goods and services**
- **Invested over \$8 Million in Capital Enhancements**
 - High Limit
 - Slots
 - Track Lights
 - Surveillance
- **Increase of Ownership to 95% (from 50%)**
- **Generated Life to Date Slot WPUPD → \$306**

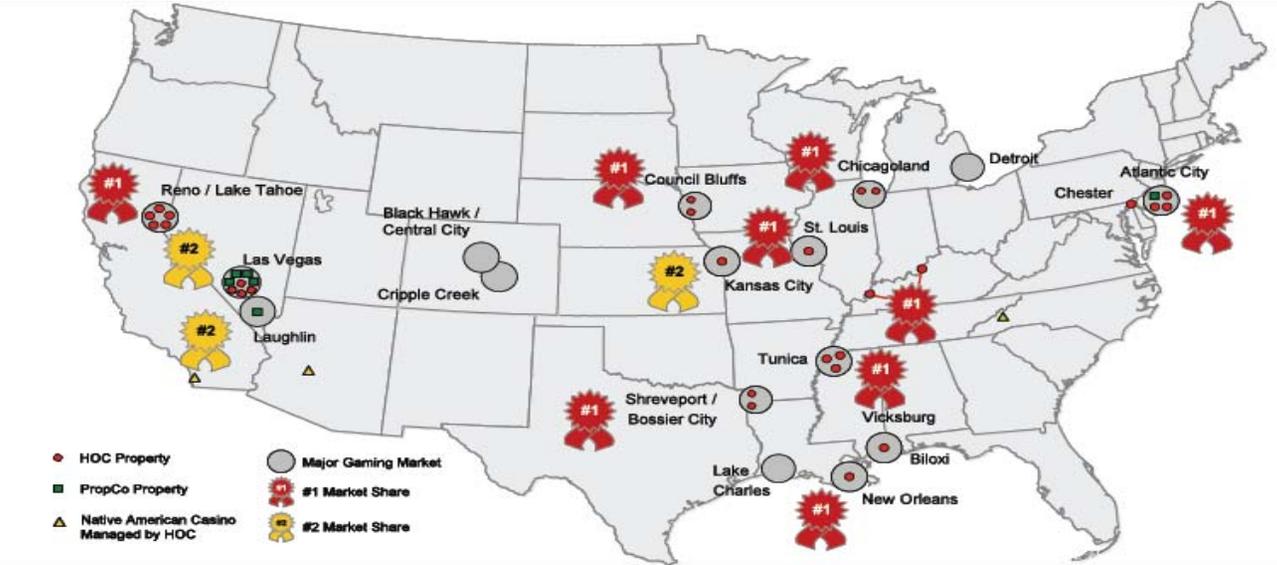




Harrah's Entertainment Company Snapshot

- The world's largest and most diversified gaming company
 - ❖ Over 71,000 Total Employees
 - ❖ 52 casinos in six countries
 - ❖ Approximately 39,000 hotel rooms and suites, 3 million square feet of casino gaming space and 2 million square feet of convention center space
 - ❖ Industry leading loyalty program (Total Rewards) with over 40 million members

A Portfolio of Winning Brands





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Code of Commitment



Harrah's Code of Commitment

The Harrah's Code of Commitment governs the conduct of our business. It's a public pledge to our employees, guests, and communities that we will honor the trust they have placed in us.

- A commitment to all our employees to treat them with respect and provide them with opportunities to build satisfying careers
- A commitment to all our guests to promote responsible gaming
- A commitment to all our communities to help make them healthy and vibrant places to live and work

A public pledge that we will uphold very high standards in our relationships with our customers, our employees and communities

Harrah's Code of Commitment To our *guests* to promote responsible gaming

- **Do not cash welfare, unemployment checks, or payroll checks**

- **Honor customer requests to be barred from our casinos or to restrict access to cash**
 - ❖ Leader in “self-exclusion” programs
 - ❖ 162 have Self Excluded since 2007
 - ❖ Partnered with PGCB to develop comprehensive in house responsible gaming
 - ❖ Train entire staff on responsible gaming annually

- **Recognize pathological gambling as a serious issue**
 - ❖ Established first Responsible Gaming program in the Nation
 - ❖ Initiated Responsible Gaming Ambassador Program

- **Recognize that gaming is appropriate for adults only**
 - ❖ Project 21 first of its kind
 - ❖ Must be 21 or older to be on our Casino Floor and Outlets
 - ❖ Average of 40 people turned away weekly from property (under 21 years of age or don't meet ID requirements)
 - ❖ Diligently self report to PGCB any underage people
 - ❖ Refined operational protocol to minimize risk of underage gaming

- **Alcohol Awareness Training – CARE and RAMP**

**Vigilant in Compliance with
PGCB**





Harrah's Employee Commitment

EMPLOYEE DEVELOPMENT PROCESS

We encourage professional and personal growth

We seek and respond to employee opinions

Promoted into Management

Managing the Harrah's Way

Time in Position

Manager Excellence: A Management Development Program

Excellence in Supervision: A Supervisory

Supervisors & Above:
• Preventing Sexual Harassment
• Supervisor Administration

Learning Series

Positions

Harrah's Employee Commitment

To our *employees* - to treat them with respect and provide them with opportunities to build satisfying careers

- Harrah's Chester Careers support families of over 1,000 employees
- Excellent pay and valuable benefits including health insurance and a retirement plan
- **Paid \$83.8 M in Wages to our Employees since opening and another \$32.6 M for Payroll Taxes & Benefits**
 - ❖ Current Average Hourly Wage Rate → \$11.29 (*not including benefits*)
 - ❖ Current Average Annual Salary → \$54,495 (*not including benefits*)
- **Employee Engagement Initiatives**
 - ❖ Pierce College
 - ❖ Enrichment Workshops
 - ❖ Supervisor Network Group
 - ❖ Future Leaders 101
 - ❖ Legendary Leadership Enrichment Training
 - ❖ Employee Opinion Survey and Supervisor Feedback Survey
- **Promote from within focus**
 - Over 120 employees promoted to Supervisor/Managerial Roles
- **Employee Celebrations**



Employee Festival

To our *communities* – to help make them healthy and vibrant places to live and work

➤ **\$1.3M charitable contributed and committed**

- ❖ Workforce Investment Board → \$500K
- ❖ Alzheimer's Association → \$64K
- ❖ United Way of Southeast Delaware Co → \$76K
- ❖ Chester Resident Scholarship Fund → \$200K
 - Additional \$200K Committed
- ❖ DCCC Stem Center → \$250K
- ❖ YWCA Computer Lab → \$28K
- ❖ College Resource Center at Chester High School → \$16K
- ❖ Walk to Work Program 2010 Launch



➤ **Support of 91 local organizations**

➤ **Developed close relationships with local Colleges/Universities**

- ❖ Widener University
- ❖ Cheney University
- ❖ Delaware County Community College
- ❖ Neumann University
- ❖ Temple University

➤ **522 Harrah's Chester H.E.R.O volunteers in 2009**

- ❖ Over 550 hours volunteered in 2009
- ❖ 234 Volunteers for 2009 Red Cross Blood Drive with 181 useable pints
- ❖ 87 Volunteers for 2009 Relay for Life

➤ **Members of Harrah's Chester Executive Committee serve on 14 local community organizations**



Chester City Cleanup



Harrah's Chester Board Members

- Vince Donlevie, SVP & General Manager of Harrah's Chester
 - ❖ Chairman of the Institute for Economic Development
 - ❖ Delaware County Chamber of Commerce
 - ❖ Philadelphia Chamber of Commerce
 - ❖ Neumann College Advisory Board
 - ❖ Widener University, School of Hospitality Management Advisory Committee
- Anne Allman, VP of Operations and AGM
 - ❖ Adopt a Scholar Foundation
- Marvin Fox, VP of Marketing
 - ❖ Chester Education Foundation
 - ❖ DCCC Foundation
- Shonette Harrison, VP of Casino Marketing
 - ❖ Delaware County Literacy Council
- Michel Vinci, VP of Finance
 - ❖ United Way of Southeast Delaware County
- Robin Roberts, VP of Human Resources
 - ❖ City Team Ministries Pathways to Success
- Robert Guidice, VP of Table Games
 - ❖ Nominated for Mazzoni Center
- Charles O'Hala, Director of Operations
 - ❖ Chester Rotary Club
- Blake Warren, IT Manager
 - ❖ J. Lewis Crozer Library
- John Zappas, Security Manager
 - ❖ Pathways PA



Diversity

Shonette Harrison and Robin Roberts
Co-Chairman of Diversity Council



Harrah's Diversity Vision

Harrah's Code of Commitment is the foundation for our diversity initiative which provides a focused method of **acknowledging**, **valuing** and **embracing** every segment of the various local, state, and national stakeholders in **Harrah's family**.

The Code along with our Diversity vision helps ensure that we create an environment where everyone is **respected** and **included**; we will leverage similarities and differences, both visible and non-visible to **enhance** our **workforce**, **workplace**, and **marketplace**.



Community Relations Diversity Goals

- Harrah's commitment to building our communities is demonstrated through our continuous contribution to those local economies as evidenced by our employment, community reinvestment, and local procurement of goods and services where possible and feasible.

- Harrah's is committed to making charitable contributions to a wide range of community interests and encouraging employee volunteer efforts to make their communities better places to live. Specifically:
 - ❖ Ensure Community involvement activities are in alignment with and support company Diversity strategies and our Code of Commitment
 - ❖ Engage with State and Local Minority organizations to identify additional channels for Community Relations and Charitable Contributions

Building Communities the Harrah's Way is measured by the tangible social and economic investments we make to communities where we operate.



Supplier / Vendor / Contractor Diversity Goals

- Harrah's is committed to procuring its goods, products and services from a diversified pool of vendors, contractors and professional service providers, and working with developing businesses to help them grow.
- Harrah's strategy is to work with a broad range of suppliers and contractors that are competitive in quality, service and price. Our major suppliers and contractors are encouraged to support diversity efforts through the use of second-tier supplier programs.

Focus on Diversity - Procurement

- **Conducted 3 Chester vendor fairs**

- **Three-phased outreach approach**
 1. City of Chester
 2. Surrounding communities within Delaware County
 3. Philadelphia Area

- **Collaborated with Minority and Women's Business Enterprise (MBE/WBE) certified businesses within Chester/Surrounding Communities**

- **Focus on local vendors**
 - ❖ Buono Bros. Bakery
 - ❖ Radio Communications
 - ❖ Advanced Enviro
 - ❖ Suburban Electric
 - ❖ T. Frank McCall's

- **Aggressively sought minority vendor networking**
 - ❖ PA Casino Purchasing Diversity Conference
 - ❖ Black Legislative Caucus Forum on Gaming in Pennsylvania
 - ❖ Minority Supplier Development Council – Vendor Forum
 - ❖ Widener Minority and Small Business Workshop
 - ❖ Hispanic Chamber of Commerce Convention





Human Resources Diversity Goals

- We actively search for a diverse pool of candidates to provide us with the depth of talent, skills and potential to meet our goals.
- We have strong mentoring, management development and tuition reimbursement programs to ensure that everyone has the opportunity to build the best career possible.
- We encourage a diverse work environment that fully capitalizes on the talents, skills and potential of all our employees.
- We hire, retain and develop the best employees so that we may provide our guests with the unsurpassed customer service that is the foundation of Harrahs success.
- Harrah's is committed to recruiting, retaining and developing the best employees regardless of race, color, religion, sex, age, disability or national origin.

Focus on Diversity - Recruitment

- Conducted 20 Job Fairs in Chester
 - ❖ Coordinated activities with Delco Career Links
 - ❖ Community Organizations Grass Roots Marketing
- Hosted Breakfast for 15 Community Agencies and Education partners in Chester and Delaware County
- Conducted mock interviews with 27 graduating students
 - ❖ Hospitality Management program at Cheney University
 - ❖ City Team Ministries Program
- Work closely with Employment Advancement and Retention Network (EARN) in Chester, West Philadelphia, and Northeast Philadelphia
- Attended AL Dia Job Fair
 - ❖ Geared towards Latino Population in the area
- Upcoming Diversity Outreach Efforts:
 - ❖ KRA informational session
 - ❖ Cheyney University Job Fair
 - ❖ EARN Center Job Fair
 - ❖ TMA Job Fair geared toward Delaware County residents
 - ❖ Drexel University Hospitality Career Fair
 - ❖ Widener School of Business Job Fair



Focus on Diversity - Workplace

- **Property Diversity Council**
 - ❖ Identify sources for minority supervisors and managers
 - ❖ Utilize existing minority management in off property recruitment
 - ❖ Celebrating and Educating diverse cultures of our property
 - ❖ Diversity wall at Harrah's Chester
 - ❖ Annual Diversity Committee luncheon
- **Corporate Diversity Training for Supervisors and above**
- **New Future Leaders 101**
- **Multicultural Holiday Celebrations**
 - ❖ Celebrating Cultures with ethnic background from around the globe
 - Africa, Europe, Asia, Australia, South America, and Carribean





Diversity – General ROI Impacts

- Innovation (Increased Revenue)
 - ❖ Employee Education
 - ❖ Employee Contribution
 - ❖ Employee Engagement and Innovation

- Increase Retention / Reduce Turnover (Decreased Expense)
 - ❖ Reduce Recruiting Costs
 - ❖ Decrease Training Costs
 - ❖ Decrease Learning Curve and Loss of Productivity
 - ❖ Improve Employee Moral

- New Markets (Decreased Expense / Increased Revenue)
 - ❖ Decrease Domestic Business Transaction Costs
 - ❖ Decrease International Business Transaction Costs
 - ❖ Operator of Choice
 - ❖ Business Partner of Choice – New Developments



Closing

- **Development / Expansion**
 - ❖ Tables
 - ❖ Poker
 - ❖ Noodle Bar
 - ❖ Floor Expansion

- **Broaden Appeal of Harrah's Chester**

- **Creating Job Opportunities**

- **Committed to Regulatory Compliance**

- **Major Financial Contributions**
 - ❖ City / County / State

- **Harrah's Code of Commitment**

- **Demonstrated our Commitment to the Community**

- **Focus on Diversity**

