

Regulators set to discuss MGM's Ho partnership

The common perception about Benjamin „Bugsy“ Siegel is that he had numerous associations with gangsters and organized crime in the early days of Las Vegas' gambling industry.

Eventually, his Flamingo Hotel became a successful property in the center of the Las Vegas Strip and it's now owned by Harrah's Entertainment, one of the most respected brands in the industry.

In a parallel universe half a world away, octogenarian Stanley Ho has built a casino empire that critics say has had ties to the Triad, a shady gang of Asian gangsters. Ho denies that he's ever had any associations with loan sharks, prostitution or illegal gambling. But Ho's estranged sister says he has.

The burning question that representatives of the state Gaming Control Board will be asking in a hearing to be conducted soon in Las Vegas is: Does Stanley Ho exercise control over or influence on daughter Pansy Ho's casino partnership?

The question has incredible implications for MGM Mirage, which is partnering with Pansy Ho on two projects in Macau.

MGM Mirage Chairman Terry Lanni and Pansy Ho are the key members of MGM Grand Paradise, the company that is building the MGM Grand Macau next door to Steve Wynn's Wynn Macau property that opened in September.

Right across the street from Wynn is Stanley Ho's Lisboa casino, the Macanese version of Las Vegas' Flamingo – it's got a notorious history to it, but face-lifts, including an expansion that opened last week, have made it a favorite hangout for locals even as the new American companies moved in.

When Pansy Ho faces Nevada gaming regulators, Control Board members undoubtedly will ask questions about whether Shun Tak Holdings Ltd., a Hong Kong stock exchange company, has a close working relationship with Stanley Ho's Sociedade de Jogos de Macau – known in the region as SJM – and its numerous subsidiaries.

Shun Tak, which isn't associated with the MGM Mirage deal, is an umbrella company for several tourism enterprises, including ferry transportation, the city's dominant convention center, the municipal airport, a golf course and the Macau Tower tourist attraction, which bears a striking resemblance to the Stratosphere Tower.

In numerous public appearances, Lanni has stated that he is confident that Pansy Ho will be found to be a suitable business partner by U.S. regulators (she's also being queried in New Jersey).

The MGM Grand Macau is scheduled to open by the end of this year, and the price tag has gone from USD 975 million when first announced to USD 1.1 billion. It will have 600 rooms, villas and suites, several restaurants and a casino with 345 table games and 1,035 slot machines.

Now, Pansy Ho and MGM Mirage are looking to the Cotai Strip, a 10-minute drive over a bridge from Macau, to build a resort near the Venetian Macau, which will open in a few months.

The Cotai Strip will have a look and feel much more like the Las Vegas Strip with a mile of hotel-casinos on both sides of a broad boulevard, a sight most Asian residents have never seen. That came about because the Strip sits atop a landfill reclaimed from the sea and developers had a blank canvas on which to work instead a hodge-podge of tall buildings on roads the width of an alley.

While MGM Mirage officials are confident Pansy Ho will be deemed suitable by the Gaming Control Board and, eventually,

the Nevada Gaming Commission, some critics aren't so sure. It will be interesting to see what, if any, testimony the board receives when it convenes a hearing, tentatively set for Feb. 27.

Bill Weidner, whose company is building the rival Venetian Macau and already operates the Sands Macau less than a mile from MGM Mirage's soon-to-open property, told a reporter in 2005 that his company wouldn't partner with Stanley or Pansy Ho and that he thinks the elder Ho runs his daughter's businesses.

MGM officials are likely to talk about Pansy's work with the Chinese People's Political Consultative Conference of Beijing, the All-China Federation of Industry and Commerce, the Guangdong Chamber of Foreign Investors, the University of Hong Kong Foundation for Educational Development and Research and the Better Hong Kong Foundation.

And it didn't hurt that in January, Lanni and his executive team rolled out its independent compliance committee officers for both the Control Board and the Gaming Commission. The committee is responsible for examining the company's business relationships before they reach regulators. Having a compliance committee that is completely independent of company management like MGM Mirage has is unprecedented.

The Control Board and its investigators have said nothing publicly about the status of the report on Pansy Ho so when the hearing begins, it should be the first indication of how MGM Mirage's foray into Macau will go,

Taxis and limos: Tourism leaders were scheduled Feb. 20 to give their critique of taxi service during the huge Magic fashion trade show and the NBA All-Star Game weekend.

But one thing was quite clear in the days leading up to those events: The Nevada Taxicab Authority, which monitors the 16 cab companies operating in Clark County, and the

Transportation Services Authority, which oversees limousine service, really ought to know what's going on in each other's agencies.

I think I was the only person to attend both the Taxicab Authority's and the TSA's special meetings to consider additional cab and limo service during the big traffic-generating events.

Some transportation industry leaders have urged the agencies to merge, since their missions are so similar. But the argument is always made that although they both deal with transportation, the cab and limo industries are quite different, both in clientele and issues faced by their respective companies.

Still, you'd think that somebody from the Taxicab Authority would attend the TSA sessions and vice-versa to at least explain the rationale for some of the decisions reached.

Although one board doesn't have to oversee both industries, it would make sense to have both of them at least in the same building instead of miles apart.

And it would make even more sense for representatives of the two groups to talk to each other when an event as high-profile as the NBA All-Star Game comes to town.

Gaming shuttle: Tiny Spirit Airlines, which has only two flights a day into and out of McCarran International Airport, will add something new beginning May 3 – the first nonstop air service linking Las Vegas with Atlantic City.

The airline figures it can capitalize on casino executives commuting between their properties in New Jersey and Nevada.

Scheduled departure times seem to favor Las Vegans: The Fort Lauderdale, Fla.-based airline's twin-engine Airbus 320 jets will leave Las Vegas at 9:15 p.m. and arrive in Atlantic City

at 5 a.m. the next day with the return leaving there at 6:30 p.m. and arriving in Las Vegas at 8:35.

So Atlantic City business people making the trip to Las Vegas will have to spend the night here.