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## Conversations w/Tino

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Tino Magnatta: Welcome to another episode of GT Radio, I'm Tino Magnatta, as you all know, and we have an outstanding guest with us tonight. Now, we've had a couple of conversations leading up to this interview, very interesting ones I have to tell you. And it's been fantastic, all that stuff is going to come out on the show. Welcome, Dominic Orozco, how are you buddy?

Dominic Orozco: Thank you, I'm doing well, how are you doing?

Tino Magnatta: Good, good, man. Let's start a little bit your roots, because that has a lot to do with who you are, and that came out a lot in our pre interviews. Where did you grow up? How was your family? I know your mother, you were single ... your mother was single, and you grew up with a single mother, and she was in the ad agency. Let's talk a little bit about that.

Dominic Orozco: Yeah, yeah, yeah. So I grew up, my hometown is Albuquerque, New Mexico, I was born and raised there 35 years, I was out of there before I moved out. And I come from yes, a family of marketers. My mom being a single parent, worked in the advertising agency, a matter of fact, the agency that brought the Hummer domestically. So if you remember the H1 was brought into the states, she was a part of that branding campaign when they brought that-

Tino Magnatta: Oh wow.

Dominic Orozco: Yeah, yeah, so pretty interesting stuff.

Tino Magnatta: Oh great.

Dominic Orozco: And that was back in the days when you ... cutting and pasting was really cutting and pasting, and there was no email-

Tino Magnatta: Yeah.

Dominic Orozco: To send radio spots, you had to send them through airlines, and FedEx and stuff.

Tino Magnatta: Yeah.

Dominic Orozco: So an interesting time. So yeah-

Tino Magnatta: Great, and ... No, go ahead. So your mom was very influential, right?

Dominic Orozco: She definitely was. Seeing her work ethic was amazing. Advertising agencies back in those days, and that doesn't mean that they don't do it these days, were 12 to 14 hour shifts to make things happen. Seeing that, and seeing the engagement from the marketing perspective and the marketing side really gravitated me and had my interest in casinos. At the age of 21 is my first appearance in the casino business. So from the first day I could walk in there-

Tino Magnatta: So let's go back a little bit. Because you went to a Christian school, and I know your faith has a lot to do with who you are. Let's talk a little bit about your Christian school, and the roots of your faith, and what that means moving forward.

Dominic Orozco: Yeah, so I went to Christian school, as you stated. And it really set the groundwork for who I am as a person, and kind of my beliefs of treat people as you want to be treated. The golden rule that everybody talked about. And the ethics of using the gifts that you've been given, to use them for a good purpose. And so every day I come into work, it's that purpose, working for a greater being, and a greater cause. And Native American communities, and just working for tribal entities is kind of the preface of that too. I mean there's a greater cause we work for every day. It's not a private sector kind of unit, it's more of benefiting for Gila River, 25,000 members that benefit from what we do on a daily basis. So the faith plays a part in community basis, and it's really good fit for me.

Tino Magnatta: Yeah, it's a good grounding for you, and I know you use it basically to guide yourself in your life, right? That's how you put it to me, it's kind of like your moral compass, right?

Dominic Orozco: Oh, it definitely is, it definitely is. If it doesn't feel right, and it doesn't seem ethical, and have the right etiquette, it's probably not good for the business, but it's also probably not good for me as a person. And so the team that I work with, and the marketing department that I work with, they definitely know that it's first and foremost your integrity, your name. That's all you've got is your name. And the purpose, and what people say when you're not there is highly important.

Tino Magnatta: Yeah. Yeah, like Bezos says, it's not about what they talk about you when you're at the table, but when you leave the table.

Dominic Orozco: Yeah, and I mean I'll tell you this, just coming from as a marketer, you know what I mean? Marketers pride themselves on the brand they develop, whether it's a casino, or even non casino business. And I'll tell you this, and I learned this from the beginning when I was in college, was you better tell people what your brand is, or they'll make it up for you.

Tino Magnatta: Right, exactly. Yeah, they will, with rumors, and misinformation. Yeah, you're right, you're completely right about that. Tell us a little bit about your first casino gig, and how that all happened.

Dominic Orozco: Yeah, so when I met my wife, we decided to stay in a small town outside of Albuquerque where she was from, and there was a casino outside. And when I met her, her uncle was actually in the business, and he was in the surveillance business. And he would come into family functions and brag about how fun and

exciting it was. And we all watched those old mobster movies, and the casino movies, and it's very intriguing to me.

Tino Magnatta: Yeah, yeah.

Dominic Orozco: And so when he would talk about his job in the surveillance realm, I was totally engaged going, "I want to be a part of that, that's something I could definitely do on a daily basis."

Tino Magnatta: Yeah.

Dominic Orozco: And so I went in, filled out an application and resume, and I started, I got my first landing job in casino at the age of 21 as a cage cashier.

Tino Magnatta: That's amazing.

Dominic Orozco: And I started-

Tino Magnatta: Yeah.

Dominic Orozco: Yeah, it started from there.

Tino Magnatta: What did you learn there?

Dominic Orozco: Well, I learned a lot about guest service. That was first and foremost. But also, on top, it was creating that balance of guest service, and keeping that show and that performance, and that production for the guest. But also, guarding the assets of the company and enterprise at the same note. And casinos, especially for table games, you'll see it. There's a game practice that they have to make sure they adhere to. But there's also the entertainment aspect that every guest comes in for. So I had to be able to perform that guest's service, but also protect the bank, and everything I was controlled of, as well as title 31, and everything that we go through. And so it was quite interesting.

Tino Magnatta: What did you like about the business that you decided to stay into it?

Dominic Orozco: I would say first and foremost, nothing's the same. And so I personally enjoy being challenged all the time, and there's not one certain thing on a daily basis you come and you go, "Oh, it's the same job every day." It's always changing, no matter what position you're in, there's nothing in the casino business that I feel are the same every day. And so that was one part. And truly, just creating a greater cause, like we stated before in the community aspect. Coming in, serving a purpose for a community, that really fulfilled me from a wholehearted perspective. And I've got to tell you Tino, the advance-

Tino Magnatta: Why?

Dominic Orozco: The advancement opportunities in gaming is probably second to none. This industry provides so many open doors for people to elevate their career, their education, their well being, and their purpose. So there's always something, I could see something in the ladder as I kept going up.

Tino Magnatta: Why do you think that is in the casino business? What you just said? Because you know what? You're absolutely right. And nobody brought up that point yet. Why do you think that there's so much upward mobility in our business?

Dominic Orozco: Well, I mean there's so many different touch points to our business that create the entertainment. Not just from the gaming side of it, because I mean that's really kind of our bread and butter, right? We hone in on the gaming part of it. But there's hospitality. So say you go into gaming, you're like ah, I want hotel all of a sudden. You can become versatile in hotels. Food and beverage, there's so many different aspects of casinos that it's not just gaming entirely.

So there's ... I mean you see this whole new world. And I think people really find their niche, I find a lot of employees coming in as a business from a front level perspective. Their horizons are opened vastly because they're going, "Oh my God, I got hotel, I got valet, I got all these components, food and beverage, that all stem up. There's always a ladder that goes up to the C-suite level."

Tino Magnatta: Right. So what you're saying is because of all the different areas, and all the different types of entertainment, especially now because of the way that this is growing in that direction, it gives you an opportunity to move up in any one of those departments. So there's a lot of moving up, right?

Dominic Orozco: Oh there definitely is. And I'll speak for myself, is I went from the cage, and you would think that would take a different route. And I went from the cage, to marketing, so I went to player's club after that. Served some MOD roles at one point, went into marketing as a director, and went to an ADM perspective at one point, a general manager at one point. And then before I kind of moved onto different avenues. But my process up to where I'm at now is not a streamlined approach. It was taking different opportunities as I worked up, but it really created an opportunity for me to see everything.

Tino Magnatta: Let me ask you, what does it take to perform at a high level, and to be able to make those upward jumps based on that performance? And to stay on top of your game, what does it take?

Dominic Orozco: So my whole outlook of this is create a very positive culture. In the marketing department primarily, is I can only touch so many things as you know on a daily basis. And so I really rely on my team to understand what the goal is, and what the purpose is. And so I create a culture where these people want to come in every day, and then show their purpose, and do something good because they know what comes of it, and allow them to do their job. If you ask any one of my team members, I do the opposite of micro managing, completely opposite. And

I want them to test things out, I want them to fail, I want them to try, because if they're failing, they're trying.

And if I reprimand them for failing, I feel like it actually deters the process of brainstorming or trying new things. So first and foremost, I instill a very positive culture, and get people to basically if I'm going to walk in the cage, we're all going to go together. And once you created that, I think people will do a lot of things for you that you'd be amazed with.

Tino Magnatta: Yeah, if you just let them do their thing that they want to do, right?

Dominic Orozco: Yeah, as long as you paint the picture of purpose, and we have three things that we live by in marketing, and it's been passed on to me by a few of my mentors. And it's large and alive, everything we do needs to be large and alive. If we're going to create a brand of large and alive, let's do it. Make special events special, if you're going to do it, make sure it's special, and flawless execution. And those are the three things when I came in, I put those in place and saying if we hit all three of these things, we will be perfectly fine in everything we do.

Tino Magnatta: Let me ask you something, we spoke a little bit about moving up before, and we spoke also about doing the right thing. I know for you, money isn't the end all and the be all, it definitely of course, everybody wants more money. But you were saying that you really have to be comfortable with the culture, and you have a certain amount of loyalty to the people that are treating you well, right? Talk a little bit about that, because in our business, it's musical chairs, right? So what-

Dominic Orozco: Yeah.

Tino Magnatta: Gives you longevity, and what is your philosophy behind that?

Dominic Orozco: Yeah, and my philosophy might be a little bit different than most. I have a family, and I have two kids and a wife, and so hopping around. I won't say hopping, that's probably a bad word, advancing in different locations, little tougher for me. And so when I make the transition to other opportunities, I've got to make sure the culture is right for me. And I've been in interviews before where I simply ask the CEO, "Are we speaking the same language?" Because I don't want to waste that company's time, and I don't want to waste my efforts as well.

And I want to make sure it's a really good fit, because we all as executives, as C-suite executives, we all make sure that we're the right fit for the company. Because if we can all unite under one culture and a positive culture, we know where that goes and that takes us. And so my first job in the casino business, I was there 14 years. And everybody I would tell that to, as I was advancing in the ranks, it was like oh my God, 14 years, that does not happen. Three years tops, as you start to sort of level-

Tino Magnatta: Yeah, three to five years tops, yeah.

Dominic Orozco: Yeah. And you know what was interesting is when I talked to our CEO here, I asked him, there's a few philosophies. And sometimes CEO's, in order to get new ideas, they'll flush out their C-suite level, and bring in new people, and get fresh ideas that way. Or some try to like to build stability, and keep their core there, so there's nice fluid culture happening. But have them go and get education, and further their being, so that they bring in new ideas. And so the culture meshing well with not only the C-suite, who I'm working with on a daily basis, but also my CEO and the leadership, and the community, it's highly important to me.

Tino Magnatta: Right. Right. You're more longer term, you're playing the long game is basically what you're doing.

Dominic Orozco: Yeah. I am. And I'll tell you this, is everybody knows this, is a brand does not get developed in three to five years.

Tino Magnatta: Right.

Dominic Orozco: So if three years is [crosstalk 00:14:04], and we're really truly trying to develop a long term brand, which is going to take us places further than any promotion, and all these other elements will do, there's gotta be longevity, and we've got to stick very disciplined to what we're going towards.

Tino Magnatta: Exactly. We spoke a little bit about the marketplace, and how it's changed since the 2008 crash. What happened after the crash? Take us through the evolution of that, and kind of where we are now.

Dominic Orozco: Yeah. So 2008, 2009, the market I'm in now, Arizona and Vegas I think were one of the hardest hit states during the recession. And so their rapid growth at one time, and then the faucet turned off. And after that, after they weathered the storm, and I'll tell ... This enterprise was really strong in its being. So yeah, they saw setbacks, but it wasn't detrimental to it. We took this opportunity now that the market's thriving, and if you talk to every jurisdiction, which you do, you'll hear them all say great things, and they're singing praises of what the markets doing.

Tino Magnatta: Yep. Yep.

Dominic Orozco: The economy's thriving, and everything's great. I think right now it is really creating a stronger foundation on your brand, from a marketing perspective, but from the operational perspective, look at efficiencies. Let's prepare, and we take this on. Let's create efficiencies in our enterprise that we can make sure that if we go through ... because if you look at the evolution of recessions, every eight to 10 years it happens again. We've been 10 years now, almost 11, and it's kind of unforeseen. Every 10 years it usually circulates.

And we're preparing now from an operational standpoint to be very efficient. And should that happen again, we have an extremely strong brand, and we also have an efficient operation. We're not spending foolish money, because unfortunately I think what happened is we saw the market in gaming. We're like, "Oh my God, we could do this, we can build this, we can do these elements," and then it crashes, and you're going, "Oh no, now I have these elements that I may be over invested in."

Tino Magnatta: So how do you deal with that?

Dominic Orozco: Well, I mean we regulate on our market revenue. So we look at the gross gaming revenue, and I take our reinvested marketing. And we clearly state that reinvestment in market y is going to be x percent. And it all depends on the marketer, and you could be in a very market that doesn't have a lot of competition, and your market reinvestment may be in the single digits. Or you may be in a highly competitive market, where there's multiple casinos in your jurisdiction, and you may be in the mid 20s to 30s. It just really depends.

Tino Magnatta: Right. It depends-

Dominic Orozco: We all [crosstalk 00:16:52] ... Yeah, it totally depends on your market. But I would say brand is the biggest thing right now that I'm seeing. It's brand of trust, a brand of value, a brand of quality. Those things go a long way with our players.

Tino Magnatta: Yeah, yeah, absolutely. The association and the love of the brand really does go a long way. And you established that over a period of years. I've always been of the mindset that gaming was never a real business until recently, it's starting to become that way. And you and I have had several discussions about the evolution of our business. Let's talk a little bit about where gaming is going, and let's talk a little bit about where the other entertainment factors that are in casinos, restaurants, and concerts, and pools, and shopping, and all that. What is going on? Tell me what's going on.

Dominic Orozco: So gaming, I'll touch that one first. Gaming from any perspective is a business that people see opportunity in. And if you take it back 10, 20 years, you'll notice the amount of casinos that have popped up has increased, right? We have more casinos now in the nation-

Tino Magnatta: Oh yeah-

Dominic Orozco: Than we've ever ... And so of course, now any business that's doing well in the industry, people are going to try to tap into it. And we're finding that the pie becomes smaller in that gaming [inaudible 00:18:27] dollars. So you're seeing the shift, it's kind of interesting. And you'll find in the loyalty programs as well, is the amenities, which we used to be a subsidized amenity, is now becoming a revenue generating amenity. And so you're finding players clubs not only be a

players club car for a casino, you're seeing them actually transition into encompassing all the amenities as well.

So now you're earning points for food, gaming, entertainment, hotel stays. Now it's one big picture, where they're trying to drive revenue through these ancillary, which used to be subsidized before, to support gaming. Now they're driving revenue on their own, and they're actually becoming profitable margin, even though they're not big margins as much as gaming. They're still producing money, revenue is the bottom line. And so you're seeing more focus on that.

And I'll tell you this Tino, we have a philosophy here at Gila River, is if you're going to open an amenity, if you're going to open a location of something, whether it's food, entertainment, hotel, could it survive on this land without a casino tied to it? If we can put a model of revenue that shows that a food venue, a hotel, whatever it is, can produce revenue on its own without the casino tied to it, then we're going to go for it. Because the casino revenue becomes gravy at that point.

- Tino Magnatta: Got it. So you're basically, it's the Vegas formula, because Vegas is 70 entertainment, gambling. But are the margins in those other areas, are they sustainable in terms of running a business? Is there enough there? Because you know, we're spoiled with the big margins from the gambling.
- Dominic Orozco: Yeah, but think about it this way, Tino. Casinos drive heavy volume of people. So now I've just created this-
- Tino Magnatta: Right.
- Dominic Orozco: Massive volume of people around this whatever this amenity-
- Tino Magnatta: Right.
- Dominic Orozco: Is.
- Tino Magnatta: Got it.
- Dominic Orozco: So that's the biggest thing in this business, a food venue, they're looking at location and population proximity of who can patronize that location.
- Tino Magnatta: Right. Interesting.
- Dominic Orozco: Casinos [crosstalk 00:20:35]-
- Tino Magnatta: So what you're saying is it's the volume. It's the volume.
- Dominic Orozco: Yep. The casino is there [crosstalk 00:20:39]-

Tino Magnatta: So you're saying-

Dominic Orozco: ... The volume.

Tino Magnatta: [inaudible 00:20:40]. So could that actually be the reverse now, the gambling drives the ancillary markets that create revenue that then are more ... If you accumulate all the numbers, and there's enough volume, it surpasses the gambling.

Dominic Orozco: Definitely. And I wasn't around this time, but I'll tell you this, the philosophy of Vegas probably when they were doing all these hotels, and a lot of the rooms. Was to provide that volume, right? The head count.

Tino Magnatta: Yeah.

Dominic Orozco: It wasn't the-

Tino Magnatta: Oh yeah, [crosstalk 00:21:14]-

Dominic Orozco: Putting [crosstalk 00:21:14]. Yeah, I mean it takes about \$40 to put somebody in a hotel to clean up after them and everything.

Tino Magnatta: Yeah, right.

Dominic Orozco: So you're [crosstalk 00:21:21] ... Making a lot of money, but you were driving this massive volume to your casino.

Tino Magnatta: Oh yeah, yeah, of course. You would give away rooms just to make the profit on the gambling, you didn't care about the revenue from the room.

Dominic Orozco: Yeah.

Tino Magnatta: The hotel people are always getting pissed off, because it wouldn't make their numbers look good, but the casino people loved it.

Dominic Orozco: Right.

Tino Magnatta: And now it's reversed, right?

Dominic Orozco: Yeah.

Tino Magnatta: Now it's like you can charge a premium for the room. I mean look at Cosmo, right?

Dominic Orozco: Yeah.

Tino Magnatta: I mean Cosmo, they're kind of like the poster boy for that, what they've created in terms of their brand, and all the different things they have there. The unique restaurants, and the club, and all the stuff. And their gaming floor is not that big, that's always been an issue there.

Dominic Orozco: Right. You know it's even more interesting, I'll take it one step further with you, is that I've heard discussion. I believe there's casinos in Vegas, our insurance model is timeshares. People are-

Tino Magnatta: Yeah.

Dominic Orozco: Building condos ... Current things, and doing timeshares that are in close proximity to their properties.

Tino Magnatta: Yeah, yeah. Planet Hollywood has a timeshare in it.

Dominic Orozco: Yeah, exactly.

Tino Magnatta: Right on the strip. And actually, Cosmo was built as a condo development.

Dominic Orozco: Oh what? I didn't know that.

Tino Magnatta: That's why-

Dominic Orozco: That's interesting.

Tino Magnatta: Yeah, that's why you have sinks and fridges in the hotel, and a lot of people don't know. There's two or three people that wouldn't sell back. So there's actually two or three tenants in there that have a condo inside of the Cosmo.

Dominic Orozco: Oh wow, I didn't know that. That's interesting.

Tino Magnatta: Yeah, yeah, yeah, yeah. Tell me a little bit, what's the secret about having them come back? What do you do to keep them coming back and beat the competition?

Dominic Orozco: So proximity, I mean everybody knows this, location's everything. Your primary markets are going to be your most fluent players. And all they basically want is they want something that's good quality service. Good value, and they want to be treated right. And that's pretty baseline. They're coming for an entertainment aspect, and as long as you provide that entertainment perspective, whatever you're selling out there in your marketing. As long as that's believable when you get on property, on the brick and mortar, you'll create that brand loyalty. Because what you're saying out there is actually what they're receiving on property.

There's a part outside of that that you're trying to steal certain markets, and certain consumers. And you've heard of fight zones before, that part where it's in the middle between you and your competitor. And there's a fight zone that happens, because it takes the same little time for them to get your competitor, as it is to you. That's kind of a win where you should be putting a lot of your efforts of acquisition. And if you're going to put reinvestment in players, it's going to be around those areas. There's a purpose behind putting that reinvestment to those players to get them in your property. And then you allow your product and your service to do the rest.

Tino Magnatta: Now you worked both on the ... because we didn't get into the specifics of your timeline. But you worked in the agency for a couple of agencies, and you also worked in the casino. How has that benefited you?

Dominic Orozco: So I feel it's a great benefit to me. One benefit I found real quickly that I don't like the agency world. That was definitely-

Tino Magnatta: [crosstalk 00:24:54].

Dominic Orozco: [crosstalk 00:24:53].

Tino Magnatta: That's a good thing to find out.

Dominic Orozco: 15 years, you find that oh my God, I really love operations, I love working 10 to 12 hours shift, and I love the constant interaction with people. But there was a method to madness in doing it, and I was really ... I felt really strong in the operational side of it. I really wanted to learn the branding side of it. What's the mentality of people, and what makes them loyal to a brand? What's the process of taking a brand from here to there? And you see outside of casino, you have Jaguar, Mercedes, Walmart, Chic-Fil-A. I mean you see all these brands that come out, and what's the tactics they use to get to that certain level and build a brand? Because brands will overcome recession, and brands will overcome competition. That's a truth. Chic-Fil-A does not get worried when a McDonald's gets right next to them. They have no worries. They stay disciplined in their brand, they believe in it.

Tino Magnatta: No. Yeah, and they're also selling an experience. I mean-

Dominic Orozco: Correct.

Tino Magnatta: You can go there with your kids and let them go nuts, right?

Dominic Orozco: Right. And then if you notice one thing about-

Tino Magnatta: That's the experience.

Dominic Orozco: Correct. They stand out from everybody else. And that's really what we try to do here at Gila River, is create a different perception, and stand out in the market, and not get caught up in the gaming noise. Come out with something a little bit different to get recognized. And so I really-

Tino Magnatta: Got it.

Dominic Orozco: Wanted to go to the agency side, learn the back end, learn the brand. Work for a very high performing company that dealt with some casinos. And I felt like it was time to go back in the operations, and utilize that experience.

Tino Magnatta: That's great. Fantastic. What can you tell the younger generation coming up that want to climb the ladder so to speak? What's your advice to them?

Dominic Orozco: I would say show pride in your work. That's definitely something that's beneficial. Get things done. If you say you're going to get it done, and you say you're going to see something through, get it done. I find now in the industry that that's very hard to have happen. It sounds good, but that quality of knowing that you can give a project to somebody and it starts from A to Z and it's done goes a long way in this business. And I was told that when I was five years in the business, was you have an opportunity because you get things done. And so that's one thing. Treat everybody like you want to be treated, that's another thing.

And just have pride, have a vision, have pride in what you do. Put your name on it, and stamp it on there all the way. Commit to it. And your name will precede itself, and people will actually see that and recognize it, and they'll promote you within. Show dedication, it's the key component to any industry we're in.

Tino Magnatta: Yeah, yeah, I understand the whole branding thing. Where are we going to be in 10 to 20 years? What do you foresee? And what do we need to do to prepare for anything that could knock our profits down, or gaming gets commercialized in Arizona. Or gets commercialized in California. How do we insulate ourselves? Because right now, everybody's doing well, but there's this feeling always that something can happen, right? Because it's politically and economically, it's always changing. What do we need to do to insulate ourselves from any big huge changes?

Dominic Orozco: That is a very large question, I will tell you. I'll go back to creating a very good product, take this time when revenue is good to really look at what you have. And look at your property, and your efficiencies, and what can you do better? Now that things are going well, we take this opportunity to go back, okay what are not doing well? Even though the revenue is coming in, the revenue looks great, what are we not doing well? Is there something that we aren't achieving?

Whether it's the product or the hotel room, whether it's our standard, every casino should have a standard. Every brand should have a standard of what they

live by. Do we need to improve that? Do we need to make sure we're really giving the service that we say we're giving? Looking at those elements right now that things are going good that are going to help us in the long run. You'll eventually, you know what I mean, all boats rise at the tide. So as you keep benefiting things, and improving on the things that you're not good at, you'll definitely be really good.

Tino Magnatta: Right.

Dominic Orozco: I mean as far as those thing, commercial gaming coming to the certain markets is a tough thing to even think about. But as you know, and you've seen this, the acquisitions that are coming in recently, you're having some big players consume a lot of properties and a lot of jurisdictions.

Tino Magnatta: Right. So what you're basically saying is that as a business community, and as operators, in a very unique business, which before 2008 was basically build it and they will come. Now that the going's good and we have a lot of money, we need to work harder to make our product even more full proof if the competition comes in, is that what you're saying?

Dominic Orozco: Yeah, that's exactly what I'm saying. I'll tell you that if you look at our advertising, what we're selling, we don't sell gaming at all. If you look at everything-

Tino Magnatta: Yeah, you sell entertainment.

Dominic Orozco: Yeah, I very rarely, you very rarely see somebody at a slot machine cheering. Because it's so cliché, and it's actually it's in our name. We say casino. Every casino says casino, they know we have slot machines, they know we have table games. They know we have the elements of gaming, it's been around long enough. What they don't know-

Tino Magnatta: Yeah.

Dominic Orozco: Is what else we do very well.

Tino Magnatta: Right.

Dominic Orozco: And that's what we're selling.

Tino Magnatta: Yeah, that's interesting, because that's where it's headed, and that's where you can ... And I love that theory, if we didn't have the gaming and the slot machines, and the table games, could we still sustain ourselves as an entertainment entity, right?

Dominic Orozco: Yeah. Yeah. What other elements aside from gaming could we add to our model, our business model, to make it even more successful?

Tino Magnatta: Yeah. Yeah, great stuff. Should we take some calls?

Dominic Orozco: Sure.

Tino Magnatta: Let's do it. Great conversation. Hello, this is Tito Magnatta, I've got Dominic on the line, do you have a question for him?

Mike: Hey guys, Mike from Las Vegas, how are you tonight?

Tino Magnatta: Good, how are you doing?

Mike: I'm good, I'm good. Hey, Dominic, I enjoyed your comment about the litmus test on building a hotel or a restaurant without a casino, and seeing if you can be profitable. And the gravy aspect of the casino. Just a couple quick questions for you, when you look at kind of the millennials, and now generation Z and some of these younger aspects, obviously you guys are doing a lot in brand development, and ancillary items get these people in the door. How are you guys making these younger generations become actual gamers?

Dominic Orozco: Yeah, it's a slow transition. I'll start out by saying that we're finding that although the millennial base, I'll say 21 to 35, we'll call that millennials. We're finding that they don't have of course, the revenue spent in totality to what our demographic of 55 plus is, right? And we get that. But what we're finding is that percent, 21 and 35 demographic is the highest and fastest rapid growing. They're double digit increases year over year, is what we're finding. So I think over evolution, if you build that brand equity with them now, when they become that age and they have disposable income, they're going to be yours. And so you're setting yourself up for the long run.

But I'll tell you from the marketing model that we've taken, is our motto what we say at Gila River is we say, "You do you." And basically it's come as you are and don't apologize for it. We're finding millennials are very communal, and they like a place they could be comfortable. You see movements in millennials, and Coke has done this, there's been a few other brands that have said, "You can be who you are and enjoy our brand. We accept all, and we're not tailoring to one need." And we find that the millennials for some reason, they're attracted to that.

Mike: Interesting.

Tino Magnatta: Yeah, it resonates.

Mike: Yeah, that's very interesting. When you guys look at, when you look at the branding aspect, so you are creating one universal brand for all age demographics. You're not slicing and dicing, are you? Are you from loyalty, and those things? Or are you carrying out different brand targets for different age groups?

Dominic Orozco: We are doing one collective brand at this point. We have an Hispanic marketing that we're doing, so we're pulling off of an age demo side to more of an ethnicity demo side. Just because our market supports it. But what we do is we lump that whole, and that holistic kind of brand model, I'll loop in images and people that are of that demographic that fit from a 21 all the way to an 85 year old. And I'll give you a perfect example in our spot. We have this lady, and we call her the [fashionista 00:34:27].

And she is, I would say, 72 years old. And she's dressed in this very I mean bright, kind of jacket. Fur jacket that comes on almost looks like chinchilla. She gets out of a Tesla, a Tesla model X, right? So it's very new age for this type of demographic. And she has these two guys, two beefcakes on her side that are about 30 years old. And so she kind of walks, you know, she kind of has this image like man, that would be cool to be like in her situation. And so we're kind of merging the two to say, "Whether you're 75, or 32, everybody can get along at this point."

Mike: Yeah, yeah, that's great. You've got to get her on a billboard.

Dominic Orozco: She is on a billboard, I'm looking at it right now as a matter of fact.

Tino Magnatta: You know what? And I think that kind of flows into the fact that the world is now a global community, unlike before, where you had segregated countries like China, and India that were kind of like lost in the industrial revolution. Everybody's caught up now, so that theory is still there, is [crosstalk 00:35:39]-

Dominic Orozco: Let me use this example as well, there's an example if you go to a car show. If you go to any car show nowadays, you look ... there's 80 year old gentlemen all the way down to 20 year old kids. And you'll find that they have the same common interests, whether their cars may be different. The interest in the cars is all the same, and they can mesh, and they can all enjoy the same notes.

Mike: Yep, that's very true. If you don't mind, I just want to stick one more question in there.

Tino Magnatta: Sure.

Mike: Talking about obviously sports booking. The decision by the courts, and the [inaudible 00:36:14] of sports booking. And could you just comment a little bit on how you guys view it coming into play in your locations? And from a tribal aspect?

Dominic Orozco: Yeah. So I'll tell you what I'm able to share with you. And right now, there's been a few movements in Arizona. And we're at the point right now where there's compact negotiations happening. And there's opportunity, and I think that there's certain levels where this is being used as potentially crafting something larger. And so our market we fill is kind of under service, because in Arizona, we

don't offer roulette, craps, baccarat, or sports book now. And so there's no like single deck pitch. You can't pitch cards in Arizona. And so there's some elements of gaming that we feel may be beneficial to make us really get that full fledged Vegas pillow of gambling. And I think right now, the talks that are happening is how do we lump in sports book into that full package?

Mike: Are you getting that request from your customers on the floor? Are your hosts, are your folks hearing the questions about it? Or is it still something that's just kind of archaic?

Dominic Orozco: Yeah, you know, we aren't hearing it from guests so much, and our players. What we are hearing it from though is partners. And I don't know how much you know about our brand, but we are partners with Arizona Coyotes, which is NHL, we have the Cardinals in NFL. We have the D Backs, we have ASU, the college. And so we're the exclusive casino sponsor. And so the partners are going like, "Hey, what's going on?" Because I believe we're one of the few states that actually have all four major sports in it. And so it's a huge sports town. I have no doubt, and we have off tack betting. So we have OTB's here currently that are doing some certain things. And so it's kind of whittling it out, but I'll tell you no question, if it comes here, it would be lucrative.

Mike: Yeah. Yeah.

Tino Magnatta: Yeah. [crosstalk 00:38:22].

Mike: Certainly seems like a right market.

Tino Magnatta: Yeah, a lot of sports.

Dominic Orozco: A lot of sports.

Mike: A lot of sports. Hey guys, I appreciate it. Thanks for taking the time, very interesting conversation.

Tino Magnatta: Thank you. Thank you, have a good night, bye-bye.

Dominic Orozco: Thank you. Good questions.

Tino Magnatta: Okay, go to the next one. Hello, this is Tino Magnosta, and we have a question for Dominic.

Speaker 4: Good evening.

Tino Magnatta: Good evening.

Speaker 4: Yes, first off, I want to say Dominic, I think the thing that intrigues me is one, as a leader, what you say is extremely believable, because of your heart, and your passion. So I would imagine being on-

Dominic Orozco: Yep.

Speaker 4: Your team, it's amazing how it works.

Dominic Orozco: Thank you.

Speaker 4: And how you lead, I'm totally impressed. I've been in leadership roles forever, and it's a challenge, and it's hard. But to have that passion is paramount, and I think you're outstanding. And I guess the other thing I should say is ... and that's partially as you've stated, because of your mom. And I'm a huge believer in moms are the first superheroes that we get to meet.

Dominic Orozco: No doubt.

Speaker 4: So when your-

Tino Magnatta: Yeah, very well said.

Speaker 4: Now when I hear about what you're saying about future, which I think is a major question, and concern for all of us in any industry, is as we look at the future ... So do you feel it's vital to build a community? Meaning different age demographics having a value in coming to your place? And that they can share with their friends? Because that's kind of the vibe that I get, is by creating community, you know you're going to have 10% this age, 10%, 20%, whatever it is. Does that work for you? Or how do you do that when you sit down and do a plan?

Dominic Orozco: That's exactly the model that we preach here. And we take a model of ... We service so many different types of guests, whether it's age demographic, ethnicity, all those elements. And so we feel like we can ... As long as your brand and your product feels like you can make sure you deliver on all those aspects, I would say go for it. Because as you said, community, and it's the number one question in jobs, right? When they ask job surveys of how employees feel about their company, would you refer your family members to this job? And if the answer is yes, then they're probably loving where they work. I'll say the same thing for a guest. If they will recommend your product to their friends, their family member, and bring them with them to the casino because they feel trusted and secure there, you have a really strong brand. And the more community you can build, the better.

Speaker 4: Outstanding. I call it, or I have always called it Cheers philosophy.

Dominic Orozco: Yeah.

Speaker 4: Which is everybody walks in and says, "Hey Sammy."

Dominic Orozco: Yeah.

Speaker 4: When I've been involved in different businesses, and I walk in, and I say, "Just so you know, I'm going to be Sammy," and they go, "What?" When everybody walks in the door, after a year they're all going to know my name. They're all going to want to talk to me. And that has built a culture of people who are respected, and appreciated. Because I compliment myself in saying that I have a lot of your characteristics. But that's it for my question, because I think community is vital. And in future marketing, I'm 58 years old, so the lady with the red jacket and the fur and stuff wouldn't let me walk in with her anywhere. But [crosstalk 00:42:16] ... I look, and I look at the future, and it confuses the hell out of me.

Dominic Orozco: Yeah.

Speaker 4: And I appreciate you, because you're in the trench every day, and you're seeing the different demographics better than any of us, I think.

Dominic Orozco: Thank you. Thank you, that was a great comment. Gold star, thank you.

Tino Magnatta: Thank you so much, you have a great evening.

Dominic Orozco: Thank you, I appreciate that.

Tino Magnatta: Yeah, that was great. Yeah, great stuff. All right, let's go to the next caller here. Hello, this is Tito Magnatta, do you have a question for Dominic?

Speaker 5: Yes, Tino, as always, great show. Dominic-

Tino Magnatta: Thank you.

Speaker 5: You talked about your faith. And how do you balance your faith with what they would say responsible gaming? I've had this for some, and these are usually the things, lovely ladies that go to church Bingo, will say, [crosstalk 00:43:10]. And we all, there's nothing wrong with that church bingo either. And they would say that these two ideas can easily conflict with each other. And can you share any experiences you've had in the past over your career that challenged? Whether it's your faith, or strong marketing situations. But simultaneously.

Dominic Orozco: Yeah, that's a very good question, that was a question I hoped wouldn't come up, but I'll touch on it.

Speaker 5: Don't forget to send me the \$5 for asking that question, okay?

Dominic Orozco: I will, thank you for that.

Speaker 5: [crosstalk 00:43:45] ... Or \$10 in free play.

Dominic Orozco: \$10 in free play. I can do that.

Tino Magnatta: How about a free meal at the restaurant, how about that?

Speaker 5: That's awesome, that's awesome.

Dominic Orozco: So I'll answer first by saying my pastor asked me the same thing, and he asked me, "You work for a casino, and we kind of know where the casino fits in. How do you balance both?" And I'll tell you as I started from the beginning was, I work for a greater purpose. And there's not one person at my job, and I'm thankful that the company that I work for, the enterprise that I work for is okay and comfortable with me the way I am. And there's no secret, and anybody that I work with and my team, that doesn't know that I'm a Christian. And so I don't preach it on anybody, I don't push it on anybody.

But they know that my being, and how I'm going to treat them, is the way that I believe in my faith. So that's very, I think that's beneficial for me, and for them. When it comes to the guest perspective, I do the job that's best for the community, and I sell an experience, and I don't sell it on the term that's ... I would say in a malicious way. And we do everything, this enterprise's integrity is one of our core values that we really hold strongly.

And so it's pretty easy, and it kind of falls into streamline. And I've had situations where I've had had to talk with people on problem gambling. And I take it from a perspective of me being to them, in it for them, basically. What's best for them. Not necessarily me putting on my CMO hat, and going, "Okay, I need you to gain here." Now at the end of the day, what's that person truly feeling? And how do I need to accomplish what they need?

Speaker 5: Sure. And I've always been told it's best to say, especially in the gaming business on the marketing side, stay apolitical, and generally regardless of your religion, try to stay away from the religion angle. Is that safe to say?

Dominic Orozco: Yeah, that's a safe comment. That's a safe comment. I would say I am who I am, and it goes back to Tino and I's conversation was finding the right enterprise that fits my culture. And like I said, I don't preach it out, and I'm not open with it. But people know where I sit. It's funny, it's interesting, they know where I sit because of the way I treat them.

Speaker 5: Okay.

Dominic Orozco: It's not anything I said.

Speaker 5: Yeah, now for the fun questions. When you measure your gaming numbers in relations to entertainment, dining, or promotion, or even a goofy database

offers. I know I heard you talk about if it can make money on its own, that's fantastic, okay? And every situation's unique, but how do you define, or quantify success? Is it by head count? Is it by the overall ... the coin in for the day? The drop for the day? Whether it's a concert, or do you define success differently based on entertainment or dining? Or promotions? Or database offers? Do you combine them all to see how do you avoid layering? These are all the questions that people in the business will always bring up.

Dominic Orozco: Yeah, the layering, I'm not a big believer on layering myself. I have a pretty ... So my promotion philosophy is we stick with things that work. And we create a calendar that builds traction, so there was a mindset, and I used to do this back in the day. Is I would do monthly promotions. Every month there was a different promotion, I was giving away a car, I was giving \$250,000. And what was happening is players would like something, and then I'd pull it away. And then I'd come up with something new, and they'd have to learn that, and it was 15 days for them to learn that. By the time they learned that, I would take it away, and put something new.

So what I do is I created a constant promotion calendar where people know that every Sunday is a gift day. They come in, they get their continuity set, they know it. It starts this habit. And what you'll find is people just become like we all are, creatures of habit, and they get in this routine. And they like it, because they know nothing's changed, and they're familiar with it. So that's one aspect of it. So I don't layer. Because it's hard to assess what works and what's not.

From a what's successful point of view, if I'm doing free play, I make sure I choose the right reinvestment, first and foremost. And I don't deviate from that, I don't buy market share, and I don't try to inflate the numbers through coin in, through free play. And so I like to use a net win number, what does it take us to get that number? What did it take us to get that revenue? And at the end of the day, Eva does everything that matters.

Speaker 5: Sure. Sure. And sorry to ask so many questions, but I love this topic. And thank you for your input.

Dominic Orozco: Hello? Can you start over, I think I lost part of that.

Tino Magnatta: We lost you there.

Speaker 5: From a branding perspective, branding?

Dominic Orozco: Yes?

Speaker 5: Hello, Tino?

Dominic Orozco: Yeah we're here. I can hear you.

Tino Magnatta: Yeah, we're here, we can hear you.

Speaker 5: Okay. Okay.

Tino Magnatta: We can hear you.

Speaker 5: So every market is unique, and we know that. What principles do you use to determine your advertising spend on radio, on TV, on newspapers, magazines, and of course, billboards? One of the funnest things I like to do is ask somebody who's selling me a billboard, is to quantify the success of the billboard. Is it more of a long term strategy? Or do you use these tools for immediate results to your marketing strategies?

Dominic Orozco: Well, it depends on what you're trying to convey. So if you're a call to action kind of approach, I would say digital, social media, those kind of elements that have click throughs to drive e-commerce is probably your best bet. It's the same thing like you said, billboards, and TV, and radio. Those are hard to quantify. But if your model is you're trying to create impressions. If you're trying to create top of mind awareness for your brand, I would say those are good avenues. It really depends on what you're trying to drive home. If you're trying to drive hotel sales, or certain actions that produce a revenue through commerce through your website, then I would say use digital and social. Because you can provide direct click throughs, and you can see who's spending what. You can actually quantify that.

I personally right now at this moment, I'm out of home kind of guy. I'll tell you why, it's because it's probably the one only medium that nobody can get away from. Unless you never come out of your house, then you're not going to see me. Other than that, I mean some people don't watch regular cable TV, maybe they like Netflix, maybe people listen to radio. There's so much streaming radio options that you have. Some people don't, I don't do social media. The only thing I do is LinkedIn, that's it. And so there's different perspectives, and right now I'm out of home, because it gets the largest impression, and I'm worried right now about the share voice. That's my whole goal right now.

Speaker 5: Sure. Have you had much luck, or tried running promotions? Casino specific promotions.

Dominic Orozco: Tino, I think I lost him.

Tino Magnatta: We lost you again there.

Speaker 5: I'm sorry about that, can you hear me now?

Dominic Orozco: Yeah, we can.

Speaker 5: I will ask this question, and then I think I'm getting bad reception.

Dominic Orozco: Yeah, we need to move on. I think we lost him.

Tino Magnatta: Okay. That was great. Thank you. If you can still hear us. Yeah he completely fell off that. All right, let's go to the next caller here. Hello, this is Tino Magnatta, do you have a question for Dominic? Hello [crosstalk 00:51:33]-

Speaker 6: Hello, can you hear me now?

Tino Magnatta: ... Do you have a question? Yes we can.

Speaker 6: Okay. First off, great show guys.

Tino Magnatta: Thank you.

Dominic Orozco: Thank you.

Speaker 6: And yeah, and two questions actually. Can you talk a little bit more about what tribes are doing for diversification is the first question. And then the second question is describe your biggest challenge in your role to date, and how did you overcome it?

Dominic Orozco: Okay, perfect. Yeah, yeah, so communities, diversifying their portfolios, I think there's two models I believe. I've seen a few communities, tribal communities go out and try to buy in certain markets, other casinos in other markets. Putting bids in for areas to try to acquire other properties and other jurisdictions to diversify the gaming portfolio. There's another philosophy in communities that they're trying to diversify away from gaming, and do other things, like entertainment aspects. Whether it's I don't know, you could say it's I don't know, movie theaters, or districts, entertainment districts. There's certain things that they're doing to try to diversify what they currently offer.

So that say gaming gets pulled out from under us, we still have something that's generating good revenue. And so there's two philosophies that I'm currently seeing, is communities are going away from gaming, and trying to look for the next big thing. And we've seen medicinal marijuana be one of those. I think in Washington, there's a lot of casinos and communities that have gone for that type of approach. And so there's a gaming side of it, and try to buy other markets and other jurisdictions in gaming, because you know that very well. And there's other elements of trying to find everything aside from gaming, should gaming go away or get impeded in too much saturation.

Speaker 6: Great, yeah, I like-

Tino Magnatta: Yeah, Dominic, it's interesting-

Speaker 6: Yeah.

Tino Magnatta: It's interesting what you said Dominic, about the marijuana. Because in Washington state, a lot of the casinos areas outside the casino where people can actually smoke. Which is you know, I mean five years ago you would have like called security, and got them arrested, right? So the business is completely flourishing, you're completely right. Did you have another question? Sorry.

Dominic Orozco: Yeah, I think you asked me what was the greatest-

Tino Magnatta: Hello? Oh yeah, that's right. You did ask-

Speaker 6: Yeah, I already, I asked the second question. Go ahead, sorry.

Dominic Orozco: Yeah, no, no. So when I got here to Gila River, it was really selling the brand that I was taking. Where I was taking the vision of the enterprise of what I saw. And it wasn't something, the biggest misconception of marketers is that we build a brand that we think what we are. And we really did have, I did a full six months to a year of researching. I did qualitative, I did quantitative, I did casino intercepts. I did all different types of programs to really understand the market, and what people thought of us currently. And what were not hitting the mark on?

And once I really laid that out, I was able to put a decent kind of marketing plan together to sell to the C-suite's and say, "This is where we're going in the long term," and really create a five, 10 year plan on where I wanted to take this enterprise from a marketing perspective. And so we had some transition happening at the enterprise during that time. But I'll tell you that the hardest thing for me to do was take all that research, and put it into one model that was pretty simplistic. And sell it to them, and have them believe in it. Once that happens, once they believe in what I was selling them based on support from all the research I did, then everybody kind of gathered around. And now they're gathered around the marketing vision, and we're going full sting. It's been very, very, very ... perceived very well.

Tino Magnatta: Yeah, like you said, the long game, right Dominic?

Dominic Orozco: Yeah, totally.

Tino Magnatta: Yeah, that's great. Fantastic questions. Great, thank you so much.

Speaker 6: Thanks Dominic, thanks Tino, have a great night.

Dominic Orozco: Thank you.

Tino Magnatta: Great, you have a great night. I think we have time for one more. Hello, this is Tino Magnatta, do you have a question for Dominic?

Speaker 7: Yes, yes I do. First thing I'd like to say how much I'm enjoying the show. I've listened to you guys a couple times now, and it's really interesting.

Tino Magnatta: Thank you.

Speaker 7: You're welcome, you're welcome. What I was wondering was who has been your greatest mentor, and what was it that you learned from them?

Dominic Orozco: So my greatest mentor first and foremost as we all touched on was of course my mother. Work ethic, and being a single parent, able to set a path and a vision for myself was extremely helpful. But I'll tell you the companies that I worked for before, I'll tell you, have really put in position great mentors. And the companies and the casinos that I were at before, really, really prided themselves on creating a good mentorship model. And so I've been lucky enough to have that anybody I've worked under to be very, very willingly and openingly share everything they know.

And I've been mentored by gentlemen that I've worked in Vegas markets. I've been mentored by when I was in the agency, I was mentored by a gentleman that worked for numerous other big brands aside from gaming. And so I learned about that. But I've been very fortunate to have people willing to teach me everything they know. But I tell you, you only got one mouth and two ears. So I try to listen twice as much as I talk to really observe everything that they're saying.

Tino Magnatta: Yeah.

Speaker 7: Okay.

Tino Magnatta: That's important, listening is more important than talking.

Speaker 7: Absolutely. Absolutely.

Tino Magnatta: Did you have another question?

Speaker 7: I did have another question. Sort of-

Tino Magnatta: Okay.

Speaker 7: Grows out of this last comment. While I was listening to you, we spend a lot of time talking about the aspects of the job, what we learn things, and that we like. But are there things about what you do that maybe you don't like so much? Or that are more challenging?

Dominic Orozco: I would say if I told you there wasn't, I'd be lying to you. I think in any business, any way that works for a company, or themselves even, there's things of course that they don't like. And I think the biggest thing that is an issue for me is as

casinos grow, and as we get bigger, and as enterprises grow, communication becomes even harder to convey. And so what we find-

Speaker 7: Yeah.

Dominic Orozco: Here, as we've grown larger, we're 3,000 employees currently. And as we've grown larger, we find it hard to really give the message that we're wanting to ... Where we're going, or where we're at, or what we need to do better to 3,000 employees. And so there's two things that I think come with that, is what's our vision, conveying our vision to all 3,000 employees, and have them buy in to that. But also, allowing our employees all 3,000 to know that we care about them. And that we're not up here just working for the means of us, that we're trying to make sure that it conveys all the way to the bottom, so they have a greater purpose.

Speaker 7: Right.

Dominic Orozco: The communication is the big trouble for me.

Speaker 7: Yeah.

Tino Magnatta: Yeah, as the company grows, communicating your message to so many people in a concise way, right? That it has an impact.

Speaker 7: Yeah.

Tino Magnatta: Yeah.

Speaker 7: I [inaudible 00:59:28] that. Thank you very much. Thank you very much.

Tino Magnatta: Thank you so much. Thank you, have a good night. Dominic, thank you so much, it's been a great interview, great questions, everybody's engaged, and a lot of great conversation. A lot of stuff we haven't heard before, and I definitely want you back on in the future, appreciate your time.

Dominic Orozco: Thank you Tino, I truly appreciate it, it was awesome, your listeners are amazing, I love it.

Tino Magnatta: Thank you buddy, and keep up the good work, you're definitely going in the right direction.

Dominic Orozco: Thank you, I appreciate it.

Tino Magnatta: All right, take care buddy.

Dominic Orozco: Take care, have a good night.

Tino Magnatta:

Bye-bye. Okay, a lot of great stuff. Some stuff we haven't heard of before of stuff that's been talked about before. And yeah, it was a great interview, I really enjoyed talking to Dominic. Thursday, I have Francis [Sai John 01:00:24], who's the CEO of [Curdle Lane 01:00:28]. Great guy, great story. Worked his way up through the ranks, and he's got some very interesting stuff to say. Remember, everybody's got a story to tell, you just have to have the time to listen. You guys have a great night and God bless.

END