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VEGAS IS POISED TO BECOME AN ESPORTS MECCA

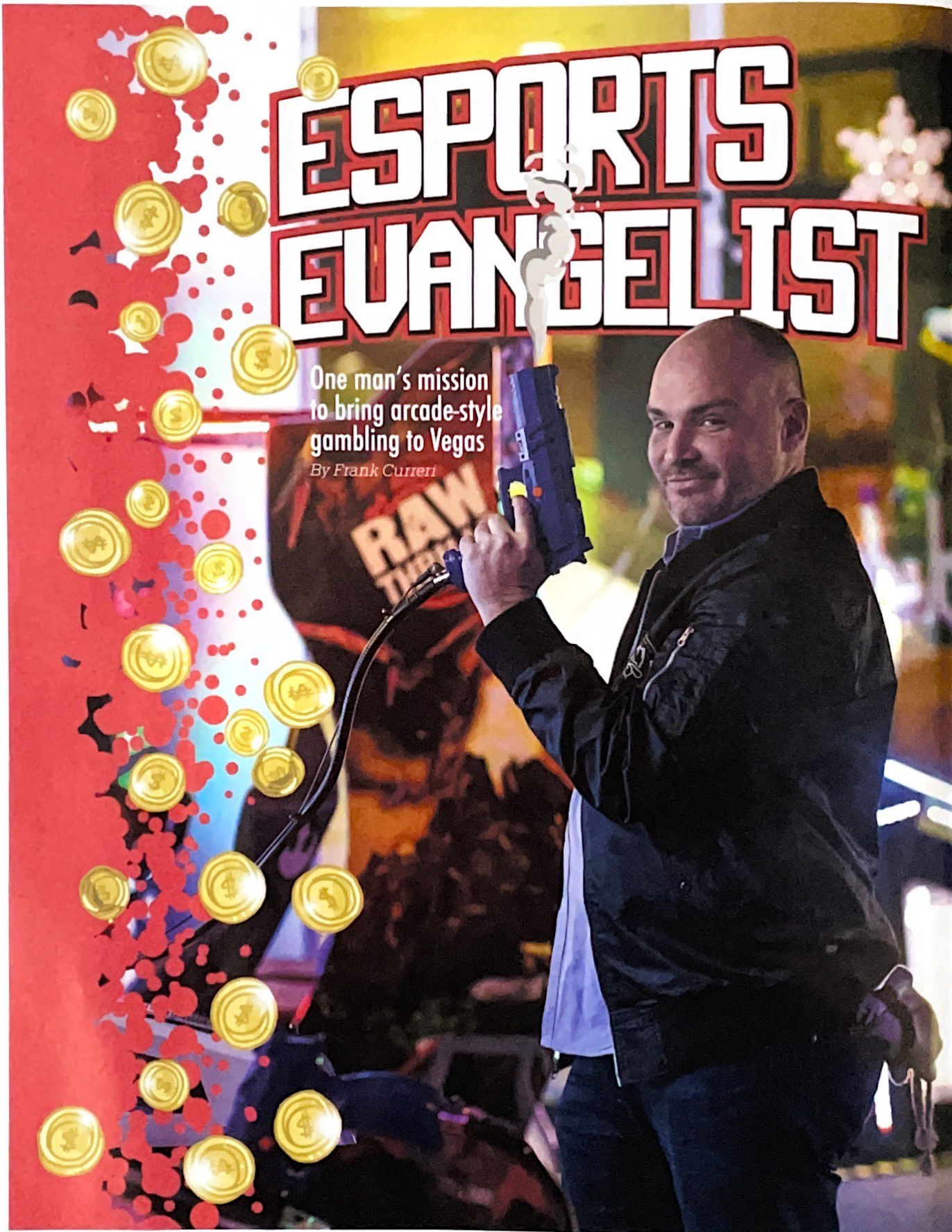
STREET PHOTOGRAPHY + THE LITTLE-KNOWN STORY OF PI BOB GRIFFIN

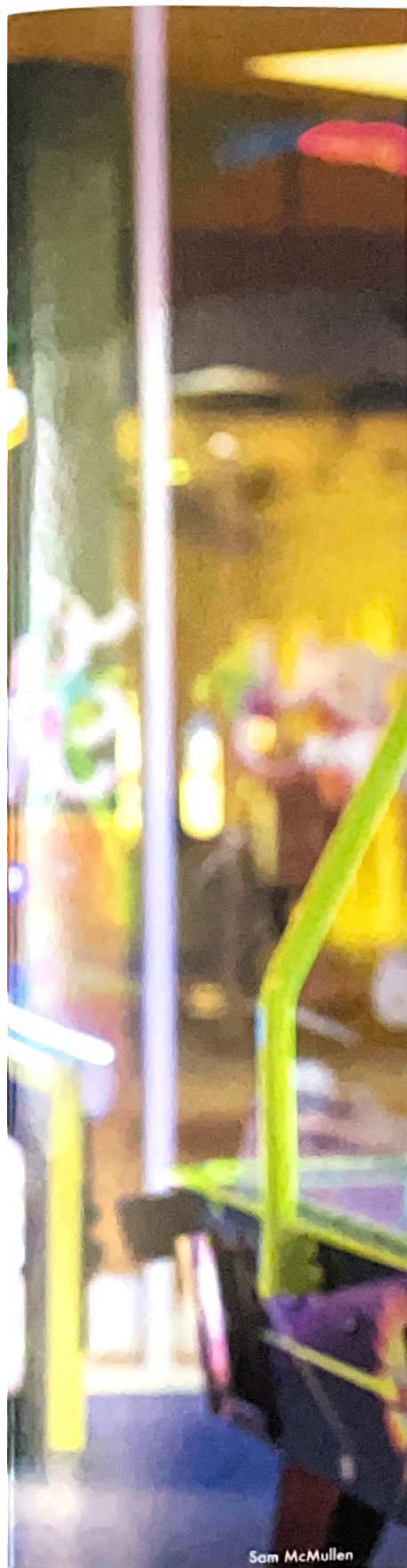


ESPORTS EVANGELIST

One man's mission
to bring arcade-style
gambling to Vegas

By Frank Curzeri





Sam McMullen

Authenticity. Millennials. eSports.

The buzz around these topics continues to mount as a growing number of casino executives, video gamers and UNLV professors try to solve the riddle that is the Millennial mind. One in every seven people on Earth regularly plays video games, generating a whopping \$100 billion or so in annual revenues.

How do you create a blissful and lasting marriage between Las Vegas and the core video-gamer demographic age 21 to 34? How do you redesign and re-create the casino experience so that often misunderstood Millennial gamers, who prize authenticity, celebrate geekhood and are likely to reject any movement that is purely for profit, view Las Vegas as the mecca of eSports and gravitate here for play, wagering and tournament spectating?

For Sam McMullen, a lifelong Las Vegas who has given a TEDx talk painting eSports as the future of gaming, trying to crack this code has been a longtime obsession. After a long, uphill climb, Nevada regulators and casino executives are finally starting to listen to people like McMullen.

"Caesars (Entertainment) is reporting its 15th straight quarter of losses," said McMullen, an avid gamer whose father and sister are prominent local attorneys and lobbyists. "Casino operators are starting to realize the average age of a casino slot-machine player is 68.2 years old or something like that. Once that slot-machine demographic is gone there will be crickets on the casino game floor. They will be the most vacant spaces on the planet unless we start targeting a different demographic."

McMullen once served as an adviser to the Downtown Grand hotel-casino, which in mid-November distinguished itself as the first casino in the United States to take bets on eSports (teaming with its bookmaker, the Britain-based William Hill). The

history-making feat came two days after Nevada Gov. Brian Sandoval and the rest of the Gaming Policy Committee unanimously approved rules and regulations for eSports, which falls under skilled-based gaming.

The committee's vote marked "a major milestone," said Seth Schorr, CEO of the Downtown Grand, which regularly hosts eSports tournaments and events. Schorr also sits on the board of directors for Millennial Esports Corp., which is unveiling a 15,000-square-foot, state-of-the-art eSports arena at Neonopolis.

"Downtown Las Vegas has shown it is committed to creating a regular eSports destination," Schorr said. "Other operators in Las Vegas, such as Mandalay and MGM, also hold huge tournaments and they're committed as well."

The eSports merger with gambling is in its infancy, so Schorr, McMullen and others have had to devote a lot of time and energy to the issue. From a young age, the 38-year-old McMullen has been wildly enthusiastic about video games. The fast-talking, hyperactive eSports evangelist estimates that for roughly one-third of his life he has averaged 35 hours a week playing video games including *League of Legends*, *Halo*, *StarCraft* and *Hearthstone: Heroes of Warcraft*.

To illustrate how deeply this virtual realm runs in his blood, "SlimyPants" (McMullen's online handle) tells the story of walking a casino floor in old Vegas, passing a sea of slot machines and asking his father, "How come there are so many arcade games here, but no games I would play?"

He was 7 years old.

Year by year, stretching into adulthood, the fascination intensified. As a graduate student at USC, McMullen chose video-game design for his master's thesis. His thesis committee expressed reservations with his idea, which advocated allowing people 21 and older to bet on popular video games.

"They were concerned that the model I proposed had gambling attached to it," he said. "They wanted me to create my own video game rather than base the

model on an existing and popular video game. They wanted me to prove that kids under the age of 21 won't impersonate adults and try to gamble. My thesis was perceived to be unethical, they worried about academic integrity I was going to have to go before an ethics board to prove the ethics of it.

"My whole purpose was to create something that casinos can offer to customers, so that my home state could stay economically viable. But I didn't know how I was going to prove things to the ethics board, so I left the program."

McMullen was just 13 credits shy of earning his master's in interactive media. He never returned to finish what he started.

Today, 12 years later, an apology may be in order, as McMullen's once-preposterous prophecy has come to fruition. He is part of an army of local eSports gaming advocates who speak at national conferences, such as G2E and Impact 16. This group includes downtown residents Robert Sirfus (video gamer), Akil Evans (poet, emcee and motivational speaker), Donevon Martinez (marketing guru) and Adam Harrington (award-winning voice actor). Schorr is also a respected leader in the movement.

One of the most exciting and innovative projects in motion is the new eSports Lab at UNLV. Students will be tasked with creating next-generation video games from scratch that people can play and wager on. The eSports Lab will also compile a treasure trove of meta-data on eSports and Millennial behavior and is drawing designs of what the future casino floor could look like.

"Switch and Intel gave them (the lab) the supercomputer Cherry Creek, so the students actually run their mathematical data through one of the most state-of-the-art computers," said McMullen, a consultant to the lab. "Everything I wanted to do with my graduate degree they are doing here and will continue to do."

What do you think is the largest student organization at UNLV? The 8-Bit eSports club, said Robert Rippee, director of the Hospitality Innovation and eSports labs at UNLV.

"The biggest opportunity in all of this," said Rippee, "is actually the data."

Under the gargantuan video-games umbrella, the eSports niche accounts for roughly \$500 million in annual revenues, projected to double in 2017. Those revenues could skyrocket if more Las Vegas casinos start taking action on eSports competitions on location and via mobile-gaming apps.

"It is enormous in its potential," Rippee recently told a crowd at the eSports and Casino Resorts conference at SLS. "The key question is, 'How do you build a business model that is economically and viably sustainable?'"

"If anybody knows how to do it, Vegas does," added investor and developer Michael Jabara, president and CEO of oneLIVE inc, a key implementer of the MGM Resorts International mobile-gaming app.

How many people watch these eSports tournaments live?

"For the League of Legends Spring Finals at Mandalay Bay, there were 27 million people that watched it live nationally," said McMullen. "And there were 10,000 people watching sitting inside Mandalay Bay arena for each heat and there are five heats per day. If everybody put down a dollar wager—well, you do the math."

And what should a casino floor look like to attract gamers?

"If you go into GameWorks any time of the day it is packed," said McMullen. "You go into Dave & Buster's, packed. Lines out the door. Convert those games into gambling games. That's how simple it is."

Among eSports gaming advocates, there exists many competing visions of the future of Las Vegas. McMullen's vision, which dates back to his master's thesis, is among the simplest.

And all these years later, dropping out of the program still haunts him.

"It does. It always has," he said. "It's funny. My friend at UNLV is trying to petition USC so that I can finish my master's thesis. That's something I would love to do."

"If I had gone before the ethics board, I would have failed to prove my case. But with the things in motion now, we've proved them wrong and we've got a lot of traction. Now everything I wanted to do 15 years ago is legal. We've come full circle." **DTZ**



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