

NATIONAL PRESS CLUB LUNCHEON WITH JAMES MURREN,
CHAIRMAN AND CHIEF EXECUTIVE, MGM RESORTS INTERNATIONAL

SUBJECT: NATIONAL HARBOR CASINO

MODERATOR: THOMAS BURR OF THE NATIONAL PRESS CLUB

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THOMAS BURR: [sounds gavel] Welcome to the National Press Club. My name is Thomas Burr; I'm the Washington correspondent for the *Salt Lake Tribune* and the 109th President of the National Press Club. Our guest today is the CEO of MGM Jim Murren. I would like to welcome our Public Radio and C-SPAN audiences, and I want to remind you that you can follow the action on Twitter using the hashtag #NPCLive. That's #NPCLive.

Now it's time to introduce our head table guests. I'd ask that each of you stand briefly as your name is announced. Please hold your applause until I've introduced the entire table.

From your right, Skip Kaltenheuser, a freelance journalist; Steve Herman, senior diplomatic correspondent at Voice of America; Mary Ann Barton, editor at Patch.com; Rushern Baker, county executive Prince George's County in Maryland; Silvana Quiroz, producer and political correspondent at Entrevision Communications; Lorenzo Creighton, president and chief operating officer at MGM National Harbor; Jonathan Salant, Washington correspondent for MJ Advanced Media and the *Star-Ledger* and a past president of the Press Club.

Skipping over our speaker for just a moment, Rod Kuckro, reporter at E&E News and the NPC Speakers Committee member who organized today's luncheon, thank you, Rod; Mary Chris Gay, member of the board of directors of MGM Resorts International; Zach Everson, a freelance travel writer; and Shawn Bullard, president of the Duetto Group, LLC.

Thank you, all. [applause]

As the capital of the free world, Washington, DC, is viewed as having just about every cultural and entertainment amenity – museums, a network of universities, restaurants, theatre, music, hockey, baseball, basketball and football teams. And in six days, the Washington metropolitan area will have something new to add to the list – a casino resort at the National Harbor in Maryland.

Historically, the Mid-Atlantic region has been a tough sell politically when it comes to casino gambling, what the industry refers to as gaming, particularly in Virginia and the District of Columbia. So it's something of a surprise that MGM Resorts International was able to break through the political and religious resistance to take advantage of Maryland's fairly recent embrace of full-fledged casinos.

Our speaker today, MGM CEO Jim Murren, is here to explain how his company steered its way through the initially fierce opposition to convince leaders in Maryland, especially Prince George's County, the National Harbor project would be a positive addition to the region. MGM says that the \$1.4 billion project will be an economic driver for the region, with nearly 4000 direct jobs and millions of dollars in additional tax revenue for the state and the county.

In addition to the 125,000-square-foot casino, the project includes 300 hotel rooms, a spa, meeting space, 15 dining operations, an art collection featuring commissioned work from various artists that include Bob Dylan. And in furthering our own slice of Las Vegas on the Potomac, MGM National Harbor has a 3000-seat concert hall that has advertised performances by Bruno Mars, Boyz II Men, Duran, Kings of Leon, Lionel Richie, Sting, ZZ Top and Cher.

Please join me in welcoming MGM's CEO Jim Murren. [applause]

JAMES MURREN: How are you all doing this afternoon? Doing well? Thank you, Tom. When I first came in, a bunch of you folks were standing up and clapping and I didn't know what that was all about. So thank you for that.

I'm humbled and honored to be here. I know how many prominent voices over the many years have spoken at this very type of luncheon, and I'm humbled by that opportunity. I'm going to do my best.

2016 has been a very eventful year in politics, but it's also been, I think, the most consequential year in the history of my industry. And so, I'd like to take a moment to share some of my perspective.

I think today, there's little doubt that the majority of Americans view gaming as really incredible entertainment, a major economic force, and an essential contributor to local communities. You might not know, but gaming is now in 40 states. It has a total annual economic impact of \$240 billion. It generates \$38 billion a year in taxes. And, most importantly, it supports 1.8 million American jobs.

To put that into context, for an example, that's more than double the number of jobs supported here in the US in the steel industry. And I think that our jobs are every bit as important and every bit as patriotic as any other kind of job in the United States. We offer competitive salaries, excellent benefits, and really promising career prospects.

And I also believe that our customers instantly recognize something that, frankly, many legislators, regulators and even members of the media haven't quite grasped. Calling MGM a company, like a gaming company, is a little like calling Verizon a telephone company, or Google a search engine. It's kind of like saying that Disney's growth is still driven primarily by Mickey Mouse.

I know that there's a grain of truth to those old stereotypes, but that myopic view misses the bigger story; namely, the ability of successful companies to evolve, to redefine their markets, to draw new sources of revenue and attract new customers. And that's exactly what's been happening at MGM.

Since I took the helm of MGM Resorts – that's about a decade ago – we've transformed ourselves into an entirely new company. Back then, we were primarily a holding company, made up of gaming properties that were run separately and actually even sometimes competed against once another. That's the past.

Today, MGM has become one of the world's most powerful and diverse entertainment brands. Our resorts span 20 destinations, featuring some of the world's finest hotels, featuring state-of-the-art conference centers, mind-blowing entertainment experiences, restaurants that are really more of a culinary experience than a meal. And by the way, we sold, incredibly, over seven million tickets last year alone to our live entertainment performances.

And though you may not know MGM Resorts by our company name, I'm pretty sure you know and probably have stayed at some of our resorts, like Bellagio and MGM Grand, Mandalay Bay, Beau Rivage, Mirage, Borgata, and so many others.

And so, this new MGM is really no longer defined by industry lines; in fact, we cut across them. Our business encompasses world class destinations; live entertainment offerings as exciting as the best from Broadway and Hollywood; leading edge technology that rivals Silicon Valley; and top tier real estate investments that really can never be duplicated. Some companies can, for sure, match us in some of these areas, but it's hard to find one that can blend all of them.

But of course, gaming is still part of the mix, but it makes up a much smaller percentage of our total revenue than in any time in our history. In fact, it's less than half of the total revenue of MGM Resorts today. In looking back, I can see three strategic decisions that really were significant turning points in our history, decisions that empowered us to become the company that we are today:

First, in early 2008, we recognized the headwinds of the coming recession and we brought our teams together, we adopted comprehensive expense controls, and expanded our financial relationships and raised capital. I can tell you now that the decisions we made then saved our company from bankruptcy.

We're also in the midst of building *the* largest mixed-used project in the United States. It was a vision of sophistication and diversity that aspired to redefine the casino experience. Ten thousand construction workers were laboring on this site in 2008 and '9. And then the financial markets collapsed. The experts advised me to shut the project down, send the workers home. Our critics pounced on us – "How could you have not foreseen this? How are you going to possibly prevail?" That was a big question in 2009. And we answered that question. We did.

Today, CityCenter and its anchor tenant ARIA delivers incredible offerings, inviting public spaces, iconic, soaring architecture and art that attracts a global audience. And after struggling to open back in 2009, it is now highly profitable, well capitalized, employs 10,000 men and women, and I'm proud to say it is the single-largest green project in all of North America, receiving six Gold certifications from the US Green Building Council.

Second, it was in 2010. We began transforming MGM from that holding company I talked about into a single, unified entertainment brand. And the goal was to expand customer engagement beyond the casino floor, to actually immerse visitors in to an exciting set of entertainment experiences that they couldn't find anywhere else, and to deliver these experiences better than anyone in our industry. And the plan worked. We created a universal culture around a common set of core values. We began operating as one cohesive company. And we built that distinctive global brand.

And the third milestone I would say was in 2014. We knew that the lackluster economy was impeding our growth and others. So we laid the groundwork then of what we called the profit growth plan. That was a continuous improvement strategy really to make MGM stronger, more rigorous, more disciplined. And the strategy has delivered extremely positive financial performance.

We enjoyed six consecutive quarters of double-digit earnings growth in our domestic resorts. And since that time in '14, our margins have improved from 24% to 30%. We've increased our annual profits by over \$400 million since that time. And we've cut our leverage ratio in half since the depths of the recession, while funding over \$3 billion of new projects to grow our company and to add more jobs. And our shareholders have reaped the benefit of those actions. Our company has outperformed the S&P in the past year, past three years, past five years.

So that sounds like a financial story; yet, the human element is actually the bigger headline. Turning a massive organization in a unionized environment with deeply embedded traditions has been a tremendous challenge. And as we expanded this experiences beyond gaming, we had to reshape our workforce and broaden our talent base. And really, it fundamentally changed what it means to be a part of MGM.

In that context, MGM's been a pioneer. We pioneered corporate social responsibility in our industry. We made it the moral and business imperative that it needs to be. We made it an anchor of our culture. And I've got to say, a lot of companies pay lip service to community building and diversity and inclusion. Not us. At MGM, these are literally the hallmarks of our business strategy.

Why? Because we know that communities around us, if they are healthy and vibrant and economically stable, that's fundamentally good for business. And if our employees feel galvanized by our commitment to integrity and good will, that's also fundamentally good for business. And if our customers, who come from literally all around the world and every walk of life, if they feel that we are a safe and welcoming place for all, that's good for business, too. And a prime example of this is MGM National Harbor, which in my eyes is both the culmination of the evolution of our company, MGM, and a preview of what's to come.

As you heard, I don't know how you could have missed it, MGM opens next week. [applause] Thank you. You know it's less than ten miles from here. [laughter] You know where it is, in that beautiful site overlooking the Potomac. We invested over \$1.4 billion for you. We know we can turn this resort into not only an American iconic brand and resort, but a global destination.

You know, that type of investment is unprecedented in this region, but so is what we built. It's not simply a casino or a hotel; I'd call it more of an entertainment hub offering an incredibly diverse range of attractions that simply do not exist on this coast, let alone in the Mid-Atlantic region. You heard about some of the breathtaking list of performers that will join us. And that's just a tip of what is to come in terms of theatrical performers, sporting events, and events for friends and family.

It's really the new manifestation of what it is to be MGM. What did we do with this? We started with a vision to build, of course, a LEED Gold-certified building that would operate with the highest levels of environmental stewardship. And I'm very proud to say today we received that Gold certification from the Green Building Council. [applause]

We worked with world class architects and Maryland's own Whiting-Turner to develop this spectacular resort, and built upon the legacy and the vision of Milt Peterson and the Peterson family at National Harbor. We knew this important site needed to have the most important level of care, and we've tried to do that, to be respectful of the location.

We knew that art needed to be a part of this. Not art for art's sake, but art to celebrate the rich heritage of the region and the African American community and African American artists that, in my opinion, have been undercollected, underrepresented, underappreciated.

We knew that as a company that promotes global and trade and travel, we knew that MGM National Harbor had to be a significant driver of both. We need to strengthen the DC market. We think we will. In fact, we think that we will add a full half-day to an international

traveler's visit to the DC region. Now, that might not sound significant until I give you a context there.

International tourists are the most important tourists to the United States. They spend more money, they stay longer. And in fact, according to the US Travel Association, the average overseas visitor spends over \$4400 on their visit. Imagine if we can encourage more of that visitors, have them stay a bit longer, what that could mean for the region and for Maryland.

And even though MGM has not been open literally a single day, we've already been a very major contributor to the community. During construction, we hired over 1700 residents of Prince George's County. We've had over 40,000 applications for jobs at National Harbor. And these are not just casino jobs; we've hired over 4000 people already to fill over 100 different types of jobs, from finance and administration, to technology and hotel operations.

We're committed to bringing growth and opportunity, not only to the region, and not just at the opening, but for ever. And that's why we've launched an innovative partnership with Prince George's Community College to train students who will be vital to our operation. And that's why we opened a very unique employment center, and we've been offering specialized training and career fairs. And when we open next week, Mr. County Executive, we expect that over 47% of our employees will be County residents. [applause] And that number's going to grow.

Through September, we've already paid \$236 million to more than 94 local businesses to get the resort ready for opening day. And that number has been growing rapidly. About 40% of our construction payments have gone to more than 160 minority-owned businesses. That's over \$300 million. And that number is growing. Some of these businesses have grown dramatically since they met us and we started working with them, doubling, tripling their business and their employees.

Now, I know that many firms are forced by government mandate to work with minority-backed enterprises. Others do it for another reason, maybe to secure a gaming license. For us, partnership with minority business reflects our core values and provides us with a competitive advantage. Because, you see, MGM's mission is not just to provide a short-term bump in Prince George's economy, but to be a long-term partner in stimulating growth and opportunity throughout the region, and ultimately providing that important pathway to the middle class. And we do this in a few ways:

First, we aim to operate as a strong, effective partner in building sustainable communities. And our expectations in Prince George's County are really no different than what we do all around the United States. We work with city and state governments, local businesses and nonprofit organizations to tailor our projects into the community that we're joining. And these developments are designed to be major forces for promoting growth and opportunity.

So let's take Detroit as a case study. In 2007, we opened a really world class \$800 million resort in downtown Detroit. Created over 3000 high quality jobs, great benefits. Average salary benefits, over \$52,000 a year. Over half of those employees are from the city of Detroit. And we've become one of the largest employers in the entire region.

We also in Detroit demolished the mistaken stereotype that we provide part-time, limited benefit hospitality jobs. More than 80% of those jobs are full-time and enjoy outstanding health benefits. And since opening, MGM Grand Detroit has spent more than \$1.8 billion with small and minority-owned businesses. So that spreads the economic opportunity across the city and the state.

We've contributed another \$1.7 billion in taxes to Detroit and the state of Michigan and we've supported over 400 community organizations. That's the kind of mutually beneficial partnership that we believe helps revitalize communities and sustains broad public support for the very industry I operate in.

Second, though projects like MGM Detroit and National Harbor seem isolated, they are in fact the core of our company and our commitment to diversity. MGM is a majority minority company. Over two-thirds of my 71,000 employees are in fact minorities. That number, by the way, at National Harbor is over 80%. And we're focused on hiring not only the most qualified minority candidates, but also empowering their development, their growth. Because we see that if MGM employees succeed in any given field, we all win. So we strive to give them training and experience and support to realize their career aspirations within our company, so they stay with us. We serve diverse customers from around the world, so it makes sense that we should have this philosophy.

And third, as I said, we're committed to this pathway to the middle class. It's very important to us. Many of our employees advance from entry level positions to executive leadership. We've had employees come from elite universities and community colleges; it doesn't matter to us. Employees that have been veterans, that have served our nation, or legal immigrants who have just come to the United States. All of them are offered not just a job, but a true career. That's the promise of MGM.

The investments that we can make provide the platform for the communities and the people that work with us and for us. In fact, I'd put it like the fact that we offer that age-old American dream, just updated for the 21st century economy in the world. And that dream is set to become a reality nearby at National Harbor. And of course we invite you to be there. And when you do, I hope you'll experience what we've created with a little bit better understanding of how MGM is working to strengthen this community, how we provide thousands of jobs to local residents, offer that gateway to the middle class for area families, and drive growth not only to the DC region, but across the broader US economy.

I'm incredibly proud that we can be a part of a community that has opened its arms to us; proud that we're a company that keeps the promises that we make. And I've made many. People believed in us and they voted for us. The state believed in us and chose us. The county believed in us and worked with us. The celebration next week will be a celebration

for many of us. There are many winners in this experience, many people who can rightly say that they have a role in bringing 4000 jobs and millions of dollars of revenue to the state of Maryland.

And when you visit, and I know you will, I hope you will see that this impact is no accident. It's the result of over a decade of strategic focus, relentless execution and old-fashioned hard work. That's why MGM National Harbor personifies our vision for MGM as the world's preeminent global brand.

I thank you for your kind attention today, and I look forward to your questions. Thank you. [applause]

MR. BURR: Thank you, sir. I want to get straight to the number one question I've been asked multiple times – traffic. Traffic seems to be the number one worry leading up to the grand opening. Is this something for government officials to worry about? Or is MGM working with government officials behind the scenes and possible fixes before it becomes intolerable?

MR. MURREN: So it's a long answer, but I'll try to make it short. During Question 7, that was a referendum question you couldn't have missed, I met with literally hundreds, maybe thousands of folks in Prince George's County. And they told me a bunch of stuff. The ladies said, "Give me a great spa and salon overlooking the Potomac." The guys said, "Bring back boxing." Everyone said, "Bring some great entertainment. MGM's known for that." "Don't build me a slot box, build me something beautiful." And, "Make sure that you deliver on this promise." And that was Question 7.

But it was the site selection committee by the state of Maryland which chose this site for many reasons, and principally because of the three bids for Prince George's County. This was by far and away the best site from a vehicular and pedestrian perspective, the best site to address and mitigate traffic. The other locations were literally in residential areas.

And so, I promised Rushern Baker and the state to spend \$960 million. I'm spending over \$1.4 billion. I expect people to show up. [laughter] I expect there'll be cars that will take them there. And I expect that the added money that we have spent – widening the roads, adding more parking – will help an awful lot.

Therefore the answer is, it's an issue that has been on top of our mind since 2011, and we're doing our best. And I believe, given the nature of our business, which is a 24-hour business, and very counter to the typical commuting traffic cycles, that people are going to find their way at the time and place of their choosing.

MR. BURR: Thank you, sir. You talked a lot about the impacts on Maryland and somewhat on the region, but how does MGM view itself working with its neighbors, such as DC and Virginia, in bringing more jobs to the region? Not just an impact on Maryland.

MR. MURREN: Well, we feel strongly that if we simply just increase gaming revenue in the state of Maryland, we've failed. What we are really attempting to do is drive economic activity to the region, to encourage more folks from outside of the United States to visit our nation's capital, visit the beautiful museums and cultural sites here in the District, go to Virginia, explore the Mid-Atlantic. Everything we've done from a program perspective is designed to attract a global and a very broad American resident audience.

And so, if we can in fact increase the length of stay of visitors, both nationally and internationally, the entire region will benefit. We've already reached out with several— we have sponsorships at the Verizon Center here, with the Redskins, with nonprofit organizations. MGM is a proud founding sponsor of the African American History Museum here in the District.

So we have worked deeply within the community, and don't view the community as simply Maryland, but we view it as the broader Mid-Atlantic community.

MR. BURR: Let me do the polar opposite of that question. How will the casino affect tax revenues for Prince George's County and the state of Maryland?

MR. MURREN: That's probably a better question for the county executive to answer. But again, I think that this level of investment is unprecedented. I think whatever folks' economic expectations are, we will vastly exceed them — because of the programming, because of the community outreach, because of working within the National Harbor district itself and that economic activity, which is also growing. And I think partially as a result of MGM being built. I think that is helping the entire area, the neighborhood that Milt created.

So I think that just as my investment has gone up because I've become increasingly so excited about this project, I think the estimates of tax revenue will also be proven to be low, relative to what the reality will be.

MR. BURR: MGM has a lot of properties all over the world. What's unique about MGM National Harbor compared to your other properties?

MR. MURREN: We take a strong view— I digress. I was an art history and urban studies major. And I'm always fascinated about cities and how they evolve. And I really feel it's wrong to just put cookie-cutter properties with no connection, no historical connection to a region. That's why what's appropriate in Las Vegas would be completely inappropriate on the banks of the Potomac. I hired Eddie Abeyta, an architect at HKS, and he and I worked together to develop a plan that is truly monumental, that's elegant, that's sophisticated, that feels like a strong connection to the district itself — through the plinth that obscures the garages, to the knifelike edge of the tower.

And also, the actual programming inside: To bring Jose Andres in, who has such a deep connection to helping the Chesapeake Bay. To bring in the Voltaggio Brothers from Maryland. To bring in a killer crab cake, Pappas from Baltimore. And I know my crab cakes;

I got married 30 years ago in Maryland, okay? [laughter] I'll go toe to toe with any of you guys!

To bring local artisans. To have Margaret Boozer, a brilliant artist, take soil, literally from the site of National Harbor, and build this beautiful sculptural wall item behind the front desk that celebrates the district itself. To have John Safer and the great African American artists Charles Hillman and Sam Gilliam. To bring in a uniquely Maryland, uniquely district environment, this wouldn't work anywhere else. But what we've done everywhere else wouldn't work here.

And when we're done here, I'm building, in Springfield, Massachusetts. And what's going to work there is going to be totally different. It's going to celebrate the rich industrial heritage of a once very prosperous and proud industrial city that has fallen on hard times over the last 60 years. And I'm going to inject \$950 million there and employ 3000 residents, largely from the city of Springfield. Imagine that, the third-largest city in the commonwealth, and I think we're going to have a big impact in literally turning that city around and building something that's uniquely appropriate for Western Mass.

So everywhere we go, everywhere I go, I want to be respectful, I want to be educated, I want to be thoughtful about the region itself and celebrate that particular area. And I think we've accomplished that at National Harbor.

MR. BURR: Thanks. A note to our chef, that the next time you're back, we'll order the crab cakes instead. [laughter]

Would you be surprised if Virginia reacted to National Harbor Casino with consideration of possibly locating one across the Potomac?

MR. MURREN: I really don't know about that. We've never focused on what Virginia will do. I've taken a view, our company's taken a view; we are pro-competition in any legal, regulated, transparent way. And I do believe that a lot of folks around the country are going to take a peek at National Harbor and say, "Boy, I'd like to have that in my town." I know that the state of Georgia is thinking about integrated resorts. I think others are looking at this as well. So I can't predict that.

I love competition. When we opened in Detroit, back in 2007, we knew that Ohio would eventually have casinos. So we built something that was enduring, that was going to be part of the fabric. And we've withstood that competition. And in fact, we're doing better today than ever before. It's not that people are just going to go to a casino because it's more convenient. Some people do. That's not my customer. I'm trying to build resorts that draw people to destinations. That's our competitive advantage. And if someone wants to spend \$1.4 billion in Virginia, building a casino resort, game on. [laughter] Game on.

MR. BURR: Any bets on whether they do or not?

MR. MURREN: [laughter]

MR. BURR: You talked about investment and infrastructure and jobs here, but will MGM be making any more additional investments in the region, such as philanthropy or community service-based programs?

MR. MURREN: The answer is yes, and we already have. We've been contributors throughout Prince George's County. Not only with Prince George's Community College; with Bowie State; with a bunch of nonprofits; working with vets, which is something I'm particularly proud of; working in the nonprofit community throughout Maryland and the District. And we're just getting going.

Since we opened in Detroit, we've given over \$30 million in philanthropy dollars into the city and to the state. And we've given over \$100 million as a company since I became the CEO. So our commitment to Prince George's County and to Maryland is no different than it is anywhere we go. It's part of the DNA of our company.

MR. BURR: Unlike voters in Maryland who approved the expansion of gambling in National Harbor, New Jersey voters this month overwhelmingly defeated allowing casinos outside Atlantic City where your company now owns 100% of the Borgata. Do you see that decision and the closure of other Atlantic City casinos leading to stability there? And do you expect any further attempts at expansion would have different results in the future?

MR. MURREN: Yes, there was a referendum question in New Jersey this cycle, and it not only was defeated, it was overwhelmingly defeated. The folks in New Jersey weren't pleased with the path that Atlantic City has taken, and they didn't really believe they knew enough about what a positive vote would entail.

We recently bought the other half of Borgata, so we own a beautiful resort in Atlantic City. I did so with the belief that Atlantic City's darker days are behind it, and that we're already stabilizing that market, and we're going to see gradual improvement. That's not to say that everyone's going to do well there. But everyone doesn't own a Borgata. We have, by far, the highest quality resort there.

So we're going to grow our business. MGM owns dozens of acres all around Borgata. We're going to look to continue to work with the state and the city. The city's got a tough road ahead of it, but we want to be part of the solution. And I look forward to working with the state and Atlantic City to continue to move that really important market forward. It's heartbreaking what has happened in Atlantic City over the last 15, 20 years. There are a lot of fingers that could be pointed as to why that occurred, but I'm looking forward. And I believe I would not have just invested additionally another \$800 million into Atlantic City if I did not believe that it can move forward.

And a point on that. It's part of MGM and why you should take comfort in why I was confident making many of the promises that I made back in 2012. because I've seen us do this. When Katrina ripped through the Gulf Coast and devastated the Gulf Coast, and over 1000 lives were lost, billions of dollars of investment, we owned Beau Rivage right on the

Gulf Coast. And a lot of folks said, "Jim, you shouldn't reinvest in that. It will take hundreds of millions of dollars to put Beau Rivage back into service." But that would be turning our back on the community. We just don't do that.

So we invested the hundreds of millions of dollars. We opened up. We became the command center for the Red Cross and their relief efforts. And we opened a year to the day of that hurricane, and thousands of people are working there; I was there two days ago. When the flood waters rose on the banks of the Mississippi in Tunica, it was MGM that ran to the rescue.

When the BP oil spill occurred, the federal agencies used Beau Rivage as their command center for those environmental relief efforts. When something is going on in Las Vegas, the governor turns to MGM as the largest employer, the largest taxpayer in the state.

So we have a history of keeping promises that we make. And so, it was quite easy for me to believe we could do it again here. And that is the promise of what we are trying to accomplish here at National Harbor.

MR. BURR: Thanks. A couple questions from the gamblers in the audience, it appears. [laughter] What will the highest jackpot pay out?

MR. MURREN: [laughter] Well, we are in the high end business at MGM. We have hundreds of customers around the world that have more than a million-dollar credit line. They visit us in our resorts. They have large bank rolls. We have customers that bet two, three, four hundred thousand dollars a hand on blackjack. There's very little that we haven't seen in the gaming industry. And we expect that we'll be able to provide a gaming experience at every possible level of investment.

The jackpots will be very large, because of the volume of slot handle or slot turn that we expect in our resort. The gaming table revenue will be very large as well.

We're not used to being number two in a market; we're the number one everywhere we are. We're the number one in Detroit. We have the dominant market share in Las Vegas. We're the number one on the Gulf Coast. We're the number one in Atlantic City. We expect to be the number one in Maryland. And I think that will be great for the entire state.

MR. BURR: Thanks. So just to clarify, for those us who are not high rollers, are there going to be any five-dollar tables?

MR. MURREN: [laughter] Yes. I don't want to turn anyone away! We are a very inclusive organization. [laughter] There's a tremendous amount of not lower denom tables, but a lot of free entertainment. We have built a conservatory that is twice the size of Bellagio's conservatory and it'll have the most spectacular holiday exhibit that I saw yesterday. We've created great outdoor spaces. I've spent over \$30 million on art that you'll be able to enjoy with your own self-guided docent tour. We have created public spaces that

will be seasonally changed, outdoor spaces overlooking the Potomac with sights right here with Washington Monument clearly in view and across to Old Town Alexandria.

I feel like it's going to be a place where families are going to bring their kids to see the conservatory that we built, enjoy many of the restaurants that we have. I expect that fathers are going to marry their daughters off in beautiful ballrooms that we have built, and host important corporate events. I think that with the entertainment venue that we've built, which is unique in the United States, it has not been done yet, you'll be able to not only enjoy the performers, like Bruno Mars and Lionel Richie, but also boxing and UFC and other major social events.

And so, there's going to be a lot of content, a lot of programming that'll energize this resort for all walks of life, all ages, all price points.

MR. BURR: I want to get into politics for just a few minutes. Are you concerned that the President-Elect's company manages one of your competitors in the DC market, to say nothing of competitors in other destinations like Las Vegas.

MR. MURREN: Ah... no. [laughter/applause] I've been in this industry for over two decades. What I've learned about this industry is, our industry does best when the economy is growing, when there's clarity, when we're promoting tourism, not only from overseas, but around the United States. As I said earlier, I welcome competition; it's made me better, it's made our company better. I am looking forward to a stronger economy, still. And as an employer and a businessperson, not an elected official, that employs 71,000 men and women, I have a deep, deep commitment to them and what they care about, what they're concerned about, what their issues are. And I think that it's incumbent upon me to do what I can in the venues that I have to promote diversity and inclusion, to promote better behavior, to dial back the rhetoric that's been so hateful and damaging, and lead by example and help move our country forward in any way that I can.

MR. BURR: Okay, let me try this another way. The *Washingtonian* asked you how the MGM National Harbor's suites compare to those in the Trump Hotel DC. You said, "We'll blow that away."

MR. MURREN: Right.

MR. BURR: Given what's transpired since the election, would you still phrase the answer the same way?

MR. MURREN: I'm in the casino resort destination. We did not build a hotel. If I wanted to build a hotel, I wouldn't be here. If I wanted to compete against hotels, I would have built more than 300 hotel rooms at National Harbor. I'm not competing against the Gaylord or the Westin or any hotels here. That would be against everything I've talked about. The differential for MGM, the key differentiating feature is not the hotel rooms, which are as good as any you'll see – including the suite product, answering the question – but it's the experience. It's the total experience.

And so, look, I'm staying at a great hotel here in DC right now. It's a great hotel. It's not *that* hotel. [laughter] But it's a great hotel. [applause] And I love hotels, but I'm in the resort experience. And that's what we do, and no one does it better than MGM. No one does it better. And so, I feel very confident to say that I think we'll be superior in every way and exceed people's expectations.

MR. BURR: So a somewhat similar topic: With a former casino executive in the White House, do you see prospects improving for legalizing sports betting?

MR. MURREN: I hope so. Our view on this is, look, we've changed. This idea that sports betting somehow needs to be regulated in one state and illegal everywhere else really doesn't reflect what's happening today. I built a beautiful new arena, and we got the first professional sports team, it's moving to Las Vegas, an expansion team. The Vegas Golden Knights will be playing the Caps in 2017. How cool is that? Professional sports in Las Vegas. That would have been unheard of five or ten years ago.

And there'll be other sports teams, I think, over time. And people love to bet on sports. And they love their daily fantasy sports. And to drive this all in the underground and wish it were away or don't allow it to be transparent and regulated is wrong. And I'm going to work with the American Gaming Association and with my colleagues.

And not everyone agrees with me on this topic, and I understand; there are passionate views on both sides. But my view is – and I hope to speak to the President-Elect and to Congress on these topics – let's regulate. Let's be consistent in our regulation and give the American public what it wants, which is this transparency and seamless connectivity between bricks-and-mortar gaming and other forms of gaming that are completely safe, if they're regulated and protected to ensure that only people who are of legal age can gamble, and people who you know who they are. And the only way to make this work is to regulate it. And I hope that we can do so.

MR. BURR: A couple more tough questions for you. You've been a lifelong Republican, but you openly endorsed Hillary Clinton for President. Can you explain that decision?

MR. MURREN: Yes, I can. I've known Secretary Clinton in a couple iterations, and in particular when she was Secretary of State. And I was extremely impressed with her at that time; in fact, it's very topical today. I went with a delegation from the US Travel Association. We were trying to get Congress and the President and the Secretary of State to believe that it would be a good idea to promote the United States – what a concept – actually advertise, "We'd like you to visit us." It had never been done before. And we went to the Secretary of State and she had a binder like this. She had all the facts. Very prepared. I was very impressed. She's very clear. And in fact, she, Congress, ultimately signed by President Obama, passed the Travel and Promotion Act, which has led to literally hundreds of millions of dollars of economic activity to the United States.

I'm very impressed with her depth of knowledge, her seriousness. And yes, I am a Republican. And I did endorse her. And I feel like she was the better candidate. But I'm an American first, a Nevadan second, and a Republican third. And I can't wait to work with the President-Elect and the Congress on issues that I think are very important to me and to my company. And those issues, and the reasons why I supported Secretary Clinton, those issues haven't gone away. I feel just as strongly today about immigration and diversity and inclusion and sustainability as I did a few months ago. That is who I am.

So I'm looking forward to working with the incoming administration.

MR. BURR: Do you have a relationship in any way with President-Elect Trump?

MR. MURREN: I don't. We've met a few times. I'm in an industry that he has close relationships with others in my industry. But I do not have a personal relationship with him. But again, I can't believe a kid from Connecticut could actually meet Presidents of the United States. I've met with several in my career. I'm looking forward to meet with the incoming one. And I'm all about, I just want to move the country forward.

MR. BURR: And I'm assuming you would invite him to the opening on the, what day was it again? [laughter]

MR. MURREN: On the 8th. Yes, absolutely! Make a note. [laughter] We'd love it. I would love so. I talked to another one of my colleagues yesterday, Steve Wynn. Steve asked me about the project. Look, in our industry, it's an odd industry in a way, but we compete mightily against one another on many levels, but I think at the fundamental level we all fundamentally want to move our industry forward, promote more economic activity, and promote destinations.

And so, Mr. Wynn said, "Good luck, I can't wait to see it." And that's what we do. We work together and celebrate each others' developments. And I hope to do that with the President-Elect as well.

MR. BURR: Thank you, sir. Before I ask the final question, a quick reminder: The National Press Club is the world's leading professional organization for journalists, and we fight for a free press worldwide. For more information about the Club, please visit our website at *press.org*. That's *press.org*.

I'd like to present our guest with the traditional National Press Club mug, which does not come with any chips in it. [laughter]

MR. MURREN: Wow, thank you. [applause]

MR. BURR: One last question.

MR. MURREN: Do I hold the mug when I answer the question?

MR. BURR: Absolutely. My last question, sir: As the head of a gaming company, do you know when to hold 'em and when to fold 'em? [laughter]

MR. MURREN: [laughter] As the head a gaming company, and someone who spent 14 years on Wall Street before joining this industry, I have a pretty good idea of risk management. [laughter] And yeah, you don't want to sit across the table from me. [laughter]

MR. BURR: Thank you, sir. Thank you for being here.

MR. MURREN: Thank you very much.

[applause]

MR. BURR: Thank you to the National President Club staff and the National Press Club Journalism Institute. We are adjourned. [sounds gavel]

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