

Entertainment

CHUCK DARROW

Revel Entertainment CEO Kevin DeSanctis rolls the dice on new Revel resort

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Revel CEO KevinDeSanctis: "I think it's a piece of the cure." SARAH J. GLOVER / STAFF PHOTOGRAPHER

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KEVIN DESANCTIS may have supervised the creation of a tall building, but he can't leap it in a single bound. Nor does he wear blue leotards and a red cape with a giant yellow "S" on it.

Nonetheless, there are those in Atlantic City who view the low-key, 59-year-old gaming-industry vet as Superman. For just like Clark Kent's superhero alter ego, DeSanctis is, they conclude, the savior of his adopted hometown.

DeSanctis is CEO of Revel Entertainment Group LLC, the corporate entity that on Monday opens its \$2.4 billion Revel megaresort on the eastern end of the Boardwalk next to Showboat Atlantic City. He's also the individual most responsible for the 6.3 million-square-foot behemoth that promises to forever alter Atlantic City's gaming industry with its groundbreaking design and amenities, 100 percent-smoke-free policy and an operational strategy that has excluded two gambling business staples - an all-you-can-eat buffet for the public and a private club for the high rollers. He put New Jersey's largest nongovernmental construction project into motion and has overseen every aspect of its conception and construction.

But Superman he ain't.

"I think it's the wrong mind-set to have because I don't think it's accurate," DeSanctis insisted during a recent interview in Revel's corporate suite. "I think it's easy to look at the newest property and for people

to draw the conclusion that if this works, then things will be good, and if this doesn't work, things will be bad.

"I just don't think that's ultimately the way Atlantic City will evolve. Clearly it's much better for Atlantic City if Revel works, there's no question. But only to the extent that people continue to invest in Atlantic City, because Revel working for three or five years is meaningless, right?"

"Do I think we will attract new people? Yeah. But I don't think that's the cure. I think it's a piece of the cure."

He believes that the success of his property, which on Wednesday begins two nights of play-money testing in the casino, can only be measured by what happens to Atlantic City in the wake of his resort's debut.

"If Revel is somewhat successful and, because of that, people come in and invest money, it will be a self-fulfilling prophecy: Atlantic City will do well," he reasoned. "If people don't invest money, Atlantic City won't do well. I just think it's all about the amount of investment that people are willing to put into Atlantic City."

A room of his own

Back in the precrash boom times of the mid-2000s, Atlantic City was poised for transformation into an adult playground rivaling Las Vegas. Three of the nation's largest gambling companies - Pinnacle, Penn National (which DeSanctis ran from 2001 through 2006) and what was then MGM Mirage (now MGM Resorts International) - were all on record as planning to invest billions in new casino-hotel development. So was Wall Street titan Morgan Stanley, which owned a large parcel of land in the South Inlet section of the city. That's when DeSanctis and Revel entered the picture.

At the time, DeSanctis, a Trenton native, was a casino-biz veteran, having been a top executive at such properties as Steve Wynn's game-changing Mirage on the Vegas Strip when it opened in 1989, and Trump Plaza in the early 1990s when that center-Boardwalk property was an AyCee market leader. Despite his success, he was looking for something more.

"I was president and COO of Penn National, and I was at a point where I wanted to do something on my own," he explained. "I'm at the point in my life where I'm either going to do something, create my own little company, or it's not going to happen. I had created a business plan. I was going to be sort of a low-paid consultant, which was a different kind of thought process. But I had a business plan worked out with the goal always being to have one place that I could have a piece of, or interest in, and also operate as a base of operations."

Around the beginning of 2007, "I was leaving the company and announced my departure, and Morgan Stanley contacted me. They had a piece of land they had purchased in Atlantic City and were interested to know if I wanted to develop that piece of land for them."

One longtime gaming-industry consultant believes Morgan Stanley hit a home run by going to DeSanctis. In describing DeSanctis' strengths, Michael Pollock, managing director of Linwood, N.J.-based Spectrum Gaming Group, recalled how, in the early 1960s, an executive with England's Decca Records passed on signing the Beatles because he believed guitar-based groups had become passe among pop-music fans.

"Kevin is the anti-Decca Records," said Pollock, whose consulting firm has had Revel as a client. "One of the things that has always struck me about Kevin is he has the tendency and ability to see things other

don't.

"In an industry that is predicated on following the crowd and following conventional wisdom, he stands alone. Kevin is clearly ... a visionary."

When Morgan Stanley approached him, DeSanctis - not realizing the potential scope of the project, offered a frank assessment of what the company would have to do to make a go of its planned gambling den.

"Forgetting the design and name and all that, it was really more of a concept," DeSanctis recalled. "I said, 'In this market, when you look at the competitive dynamic, I believe this is where you're going to have to go to be successful.' That included more group business, more leisure business - a much broader market reach. And in order to do that, obviously, the facility had to be designed in such a way to achieve that."

The bankers agreed and the job of conjuring a precedent-smashing pleasure dome by the sea began. From the start, DeSanctis was convinced he had to veer away from the existing Atlantic City gaming philosophy that made the casino the center of the universe and viewed everything else as distractions that kept people from gambling.

DeSanctis' charge to his lead architect, Bernardo Fort Brescia, was to integrate the building into its surroundings, rather than segregate it from them.

"The big thing for me was to take advantage of the ocean," he offered. "I told Bernardo, 'We don't want this to be about what Atlantic City was; we want it to be about what Atlantic City can be.' And that was really it. I had no preconceived ideas what the place should look like, what the place should feel like."

"Bernardo came up with the idea of ... when you arrive at this place, you should arrive at the ocean - a completely different thought process. That's why there is a little bit industrial-looking, if you will. It should be a complete surprise when you arrive."

"When you come up to the building, it shouldn't even hint what's going to happen, and as you come through the building, all of a sudden - Boom! - you arrive at the ocean and that's when the experience starts."

"So it was really about the germ of an idea, me saying to him, 'Nobody's done this. We can't let this go.' "

Fun for the big kids

DeSanctis was adamant that his casino-hotel inspire customers in a way that is surprisingly alien in an industry that is supposed to provide good times and an escape from the ordinary.

"Have you ever been to Chuck E. Cheese?" he asked. "Have you ever tried to take a kid out of Chuck E. Cheese?"

"A long time ago, my kids were young ... I was in Chuck E. Cheese, and I was amazed by the effect the environment had on kids. Every parent had a fight on their hands. There was nobody leaving without a fight. And I thought that it's sort of an interesting concept: As they get older, adults seem to lose that. As we get older, we don't seem to have that capacity to have fun."

"I was thinking, wouldn't it be nice if you could create a place that could unlock that emotion in adults? And that's really what these places should be like. But when you look at most casinos, that's not what they do."

"If you look at , they don't really look like they're having fun. not joyful places. They're a little more intense and very, very somber and serious in many respects. It seemed to me if I was gonna build a place, that's the kind of place I would wanna build."

That attitude extended to naming the building. "We were looking at names that meant 'fun,'," he said. He added he doesn't remember other possible monikers, but "then we came upon this one name and tried it out on people and they said, 'Yeah. is it.?"

Surviving the crash

Revel was originally scheduled to open in July 2011. Then all hell broke loose on Wall Street in 2008. Morgan Stanley had invested enough to finish the exterior construction and kept going for a while, but all but shut down work on the interior when it pulled out of the project in early 2010. According to DeSanctis, construction never completely stopped, but Morgan Stanley's action did set the timetable back a full year.

DeSanctis never despaired when Morgan Stanley called it quits. "There were lots of moments ," he said. "But you have to put everything in context of what was happening back then. The financial world was collapsing; investment banks were collapsing. Almost every project in the U.S. that was either stopped or something happened.

"If it was just something that was happening relative to our project, maybe it would have been a little bit different. But understanding the context around it, you just go into survival mode."

According to legendary Atlantic City broadcaster and columnist Pinky Kravitz, DeSanctis' tenacity was key to the project's survival. DeSanctis, said the on-air fixture of more than 50 years, "was always determined. That's one thing I always knew about Kevin: There was never any doubt where he stood on a particular issue. That's what impressed me the most about him."

More to the point, Kravitz continued, "He wasn't one who would have walked away . So many would have walked away and said, 'That's all.?" Not that DeSanctis was a font of positive vibes during that time. "I'm not a particularly optimistic person," he admitted. "So I don't think there was a tremendous amount of optimism. I think it was probably more concern that we wouldn't get it done. We'd have this building that is half-built sitting there.

"It was interesting because on one side, I was concerned it would not get built. On the other side, I was actually more concerned that somebody else would finish it. You're sort of vacillating back and forth. I'm not sure which concerned me more."

Thanks to an infusion of \$850 million from private sources and \$261 million in state tax credits engineered by New Jersey Gov. Chris Christie, construction resumed at full throttle in January 2011. But as is his nature, DeSanctis was in no mood to celebrate.

"It was an interesting day" when the project was revived, he said. "I think that's one of those days where you almost sit there and it's, 'Be careful what you wish for.' We have to finish this thing now. You're in the process for so long ... we were selling this thing for so long. It was almost that career was this saga. OK, we gotta build this thing now?"

Getting game

DeSanctis, a married father of two daughters and a son, was brought into the casino realm in 1977 by Dennis Gomes, the recently deceased co-owner/CEO of Resorts Casino Hotel. At the time, Gomes, a top

investigator for Nevada's Gaming Control Board, was recruited by New Jersey to dig into the financial background of Resorts International, which planned to open Atlantic City's first legal gambling parlor in 1978.

He went to the New Jersey State Police and asked for five troopers with accounting degrees. DeSanctis, who earned his accounting diploma from Temple University, was one of those Gomes drafted. Gomes quickly became DeSanctis' gaming-industry "rabbi," and when he became a casino exec in Nevada in the early 1980s, he brought DeSanctis with him.

DeSanctis learned the business from Gomes, and they remained close friends until Feb. 24, the day Gomes died suddenly of complications related to dialysis. But the two were worlds apart in their personalities. Had the exuberant Gomes been the one opening Revel, there probably would already have been photos of him on the roof of the 47-story hotel tower horsing around with the huge, illuminated globe that will soon become Revel's identifying icon.

On the other hand, despite accomplishing the Pharoah-like task of building an awe-inspiring, one-of-a-kind complex that will no doubt outlast him, DeSanctis is unsurprisingly modest about what it is he has achieved.

"It hasn't really occurred to me," he said. "I think the building is nice, but as nice as the building is, it will get torn down at some point. I've always believed that everything is ultimately a 'tear-down.'?"

DeSanctis prefers to look at a bigger picture that transcends his building's unique architectural components, its acres of blue glass and 14 glittering restaurants.

"What I'm really more interested in is building a company and a brand. That's really been my goal and our goal as a company from the outset: to build a brand and that would be fun, and much bigger than just a casino.

"When people are talking about Revel as a company, as this thing, that's pretty cool. At the end of the day, you just made it up. That to me is a lot of fun." n

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