

Lake Tahoe Hard Rock on path to stabilization

By Kathryn Reed

STATELINE – Correct the problems and identify opportunities. Those are the oversimplified tasks the consultants for Lake Tahoe Hard Rock have agreed to tackle.

“Right now we are working to stabilize the operation,” Jim Roets told *Lake Tahoe News*.

Roets and Rick Stevens, two veterans in the Northern Nevada casino industry, have a 90-day contract that began in mid-October that calls for assembling an executive team and assessing the operation to undo the damage of Warner Hospitality. Even after a more permanent management team is in place the plan is the duo will stay on board as advisors as needed.

The Park brothers, owners of the property, **fired Las Vegas-based Warner** last month. The Parks have since sued Warner.

The dysfunction since the Jan. 28 opening was documented in an exclusive *Lake Tahoe News* **story in August**.

Roets and Corinna Osborne, director of non-gaming operations, sat down with *Lake Tahoe News* this week to discuss the future of the property.

“Hard Rock is a good brand in itself. Our goal is to deliver, if not over deliver, on those expectations,” Roets said.

Marketing the property, getting a sales team together and creating a good casino player strategy are some of the immediate goals.



Lake Tahoe Hard Rock consultants are trying to fix problems the previous management firm created.
Photo/LTN

“It’s unacceptable the property opened in January and people in the community don’t know we have a steakhouse,” Roets said. Better messaging is part of the immediate plans.

He and Osborne have already noticed improved customer service, which they attribute to workers being happier.

Some employees who lost their job under the old regime are coming back. This includes front line staff and managers like the former director of sales. (The property has 14,000-square-foot of meeting space near the Fire Break restaurant.) There are about 360 employees, with 75 front line positions available. The two big positions yet to be filled are general manager and human resources director.

“It will not be a third party big name that has cooperate offices somewhere else that is at the helm,” Roets said. “The team will have a clear understanding of the market, the work force, and flow of the seasonality; and be involved in the community.”

Last week the employees came together for what was called a town hall. It gave them an opportunity to ask the interim head honchos questions, to learn what can be expected in the coming months and feel appreciated. More of those will occur when

appropriate.

Roets said he and Stevens are listening to staff suggestions and complaints, then explaining why or how things may or may not change. Just being heard is a new concept for these employees.

He said the staff is qualified and just need to be encouraged to do the job they know how to do.

Under the old guard employees were not encouraged to be engaged in the community. Just the opposite is occurring now.

As for the pool, it's a bigger item that probably won't fall under the purview of the consultants. Solutions are being sought for the leaks that forced the pool to be drained and closed last summer. It remains an empty vessel.

"The previous management tried things out there that didn't sell in this market," Roets said of the Splash pool parties that had a Vegas-esque quality to them. "We aren't going to continue to do things that don't work and don't make sense."

Osborne said the summer music festivals in the parking lot are not likely to be resurrected.

The focus is doing things at the property that make sense and are profitable.

Vinyl, the small music house, will continue to bring in entertainment. The goal is develop it into a venue with a brand people can count on.

When it was announced in July 2014 that the Horizon was being rebranded as a Hard Rock, Heavenly Mountain Resort was going to be an integral partner. In fact, the launch was at the midway station of the ski resort. When asked if that pairing was still going forward, Roets said, "Any and all partnerships are being looked at."

Within the next year Roets expects the Hard Rock to be bringing in a sizable piece of the market.

The Stateline casinos collectively bring in about \$200 million a year in gaming. Roets would not speak to what share is the Hard Rock's or how much it should be. He only said the goal is to attract its fair share of locals and tourists.

Roets also didn't want to talk about the debt brothers Jon and David Park have incurred. About \$62 million has been spent to remodel what was the tired and dilapidated Horizon. Another \$12 million is said to be needed to finish the upgrades – this includes guest rooms and the large showroom where the likes of Elvis Presley once played when the property opened as the Sahara.

The long-range plans – those are not for Roets and Stevens to figure out, but instead for the Parks to worry about. The consultants are striving to make the Hard Rock employees deliver a product locals and tourists want to experience over and over again.