



RENARD INTERNATIONAL HOSPITALITY SEARCH CONSULTANTS

2019 Gaming & Casino Compensation Report



Prepared December 2018



Table of Contents

1. Introduction of Renard International
2. Our People / Code of Ethics
3. Reasons for Developing the Reports & Methodology of our Surveys
4. Introduction to Compensation in the Gaming Industry
5. Comments & Observations
6. Surveys
 - a. North America
 - b. Global
 - c. Online Gaming + Remarks
7. Benefits Overview
8. Conclusions – 2019 Going Forward
9. Disclaimer & Contact



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Introduction of Renard International

Renard International is the leading executive recruitment firm serving the hospitality industry globally. This year we celebrate our “48th Anniversary”. We are the longest operating hospitality recruitment company and have successfully completed searches in 55 countries.

We are proud of our company’s success over these past five decades. Having received the highest ratings from international and independent hotel companies, restaurants, casinos and food service organizations, we have become one of the most respected hospitality search companies in the world.

Renard International has been deemed the “benchmark” of recruitment companies. We are pleased and honored by this recognition.

OUR CORE STRENGTHS - CONFIDENCE, CONFIDENTIALITY & EXPERTISE

Confidentiality remains fundamental and we have a proven ability to protect both clients and applicants alike. This security is necessary for applicants during the sensitive transition period, when unwanted exposure may endanger their current position. No fee is required from applicants, a factor which attracts outstanding individuals from around the world.

By utilizing our resources and expertise, clients save significant time and money throughout the sourcing and selection process.



Our People / Code of Ethics

** Specialists who know your industry.**

Our employees have fueled our achievements, with their dedication and commitment to both our clients and our applicants for almost 50 years. These employees constantly strive to refine and improve the services we provide.

Renard International is comprised of talented hospitality professionals who make it their business to stay well-informed of current trends and practices. We invest considerable time and resources into visiting client properties and applicant workplaces.

The robustness and accuracy of our sourcing and selection process are backed up by our strong success rate. Almost all of our successful placements have remained throughout their contract period, many of them advancing to the upper echelons of renowned corporations in the industry.

We thank you for your continued loyalty and confidence in us as your partner in talent recruitment and we assure you of our team's commitment to delivering service excellence to your business.

Stephen J. Renard

President





Reasons for Developing the Reports & Methodology of our Surveys

Fierce competition for talent and defined salary restraints are making it more challenging than ever for employers to create a compensation package that will attract and retain skilled employees. To overcome these challenges, you need access to the most current compensation data to ensure your organization is competitively positioned so you can not only attract the talent you need, but also retain the valuable employees you already have.

“2019 Gaming & Casino Compensation Report” was completed in November 2018. The report outlines the outcomes from a comprehensive information analysis extracted from Renard International’s own database of 68,000 candidates and supplemental 20,000 contacts as well as written answers to our survey sent to Executives in more than 25 countries. The data was also taken from thousands of resumes received monthly by Renard offices and Consultants worldwide, which confirm in writing individuals’ current remuneration, benefits, bonuses, etc. They also signpost desired salary, benefits, preferred location and ideal role.

Some of the salary ranges in this guide are based on actual transactions between employers and employees of Renard International and represent a true reflection of the job marketplace.

As many of the world’s major gaming organizations are publically held, much of the information on our surveys came from analyzing financial statements and public documents provided by the Freedom of Information Act as well as publically offered filings online.

In 2018 alone, Renard Consultants successfully completed assignments in over 40 countries from Culinary to the CEO of a major Club/Hotel/Casino Group. We have now assisted clients in nations that were non-existent when we first commenced business 48 years ago.

Our Remuneration Reviews are produced using an **average format** in which the information is totaled and divided by the number of replies, or, in a **median format**, which is calculated using data mid-range to extremes. We hope this guide will serve as a useful tool for your talent compensation planning.



Introduction to Compensation In the Gaming Industry

At the intersection of politics, travel and hospitality, sits the **Global Gaming Industry**.

Of the 195 recognized countries on this planet, some form of Gaming exists in over 70% of the world's nations from Armenia to Zaire from Macau to the game reserves of Africa. Some form of gaming is therefore available to over 70% of the world's population, whom are now possible customers; this includes live and/or online gaming.

Gaming has become a significant global partner of the hospitality industry. It has therefore become essential to understand and include gaming in any discussion of the world hospitality. For example; the revenue per square foot in gaming far exceed by many times that of any other hospitality product. The compensation offered a senior executive in successful publically held gaming companies have made middle and senior managers who have received regular stock or options a millionaire many times over.

There is one casino hotel in S.E. Asia whose rooms profit is greater than the entire profit of one of the world's top American luxury hotel brands.

In 1995 when we researched our first Gaming Compensation Study, the report was restricted solely to Las Vegas and Atlantic City. Online Gambling was non-existent. 23 years later, much has changed. Online gambling is the fastest growing gaming product worldwide, and experts predict its revenue for 2018 to be over 12 billion US dollars.

Will every location soon have a gaming establishment next door? Why not? Governments desire these huge tax windfalls from the gambling business.





Comments & Observations

In our 2019 Going Forward report, we examine total cash compensation for senior executives. We have formulated our surveys using data from almost 100 gaming corporations, some small with as little as 5 units to those with units who have in excess of 300 tables plus thousands of slot games. Our sources include self-reports and tax filings from public companies, personal resources, direct requirements from searches we have received, along with our salary survey data, which we solicited.

Our most noteworthy comment on gaming is that it has taken “huge steps” closer to global acceptance, adding new locations in 2018 such as Cyprus, Albania, Cape Verde, Massachusetts (Boston), India (State of Maharashtra), Israel (soon to be approved), Gibraltar, Saipan and Montenegro. In 2019, additions will include new sites in South Korea and others in Japan.

Overall, almost every state in the USA, all provinces in Canada, and over 125 countries now offer some form of legalized gambling. There are over 225 gaming jurisdictions, including parts of Macau, Singapore, Greece, Malaysia, Bahamas, Philippines, Saipan, Korea, Netherlands, Antilles, UK, Switzerland and Vietnam.

As part of this growth, the need for experienced casino management talent has become both extremely competitive and cutthroat, especially for difficult postings in faraway countries. As a result, pressure to adequately compensate executives continues to be a major factor. Most of the major publically listed casino organizations offer their key employees stock or stock options.

Another notable observation is that even though the revenue pie from gaming increased substantially in 2018, it is now shared with more operators. Additionally, historic venues such as Las Vegas, Atlantic City, the Caribbean and Europe did not increase their revenue significantly. In fact, these hubs lost some of their leading share of the global gaming revenue pie to locals like Macau, Singapore and the Philippines.

An aspect of our study worth noting is the major difference in compensation between large and small players in the gaming industry, and between those which are publically listed as opposed to those which are privately held. For example, a CEO of a small, privately-held gaming group may earn a base salary, bonus and stock totaling \$500k (USD), compared to a large, publically listed organization where the CEO earned in excess of \$30M (USD) as was the case of a casino operator with entities in USA and Asia in 2017.



Comments & Observations – Cont'd

As in all our surveys, we do not take in consideration any Black-Scholes evaluations.*

Another consideration: in previous years, there was a separation of income by country and venue. With the increased worldwide growth of casinos, salaries are now more aligned with less distinction.

In previous years, we also focused primarily on major North American and Asian gaming areas. In 2018, we have now added in-depth information on international casino groups, although many are still USA-controlled. In our 2018 study, we also took special notice of SE Asian gaming establishments in Malaysia, Singapore, Vietnam and the Philippines... and soon to be sites in South Korea and Japan.

The location and size of casinos matter with regards to basic compensation levels. On the other hand, bonuses remain fairly consistent as a percentage of base salaries. In other words, many companies offer higher base incomes, however their bonus percentages (i.e. 25% - 50% of the base) remain consistent.

*** *Black-Scholes evaluation is the value of the stock granted in previous years had a substantially higher or lower value than the year it was granted.***





North America **

Corporate Management

Overseeing both Casino & Hotel Operations

2019 Corporate Management Survey					
(Salary Rounded to Closest Thousand, in USD)					Completed Dec 2018
Title	Lowest Base Salary Reported	Average Base Salary Reported	Highest Base Salary Reported	Average Bonus (excl. stock or stock options)	Average Total Compensation (incl. stock or stock options)
Chief Executive Officer	\$575K	\$860K	\$1.79M	\$300K	\$1.1M
Chief Financial Officer	\$312K	\$561K	\$725K	\$175K	\$735K
Chief Operating Officer	\$315K	\$575K	\$745K	\$225K	\$800K
Executive Vice President	\$275K	\$500K	\$650K	\$200K	\$700K
Sr. VP Operations	\$275K	\$405K	\$515K	\$142K	\$550K
VP Sales & Marketing	\$201K	\$275K	\$450K	\$100K	375K

Source: Public Filings

Notes:

- These roles in many cases are not the most senior in the organization so may not be the highest earners and reputable to another individual with a similar title in another division of the group.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.
- The examples used were mainly in Nevada, New Jersey, British Columbia and Ontario, Canada as well as other casinos with over 800 rooms and in excess of 1000 slot machines & tables combined.
- These figures do not include any initial hiring bonuses.
- Bonus programs potentially differ greatly between branded and independent operations.
- Long-term tenure employees have a great effect on base income.

** North America is defined as Canada, USA, Latin America and the Caribbean



North America **

Executive Committee

Hotel Services, Single Unit

2019 Senior Management Compensation				
(Salary Rounded to Closest Thousand, in USD)				Completed Dec 2018
Title	Lowest Base Salary Reported	Average Base Salary Reported	Highest Base Salary Reported	Average Bonus *
CEO – Hotel Services +	\$240K	\$288K	\$390K	\$81K
COO – Casino & Hotel Operations +	\$215K	\$259K	\$295K	\$65.1K
VP Sales & Marketing	\$150K	\$196K	\$255K	\$47.2K
Property Finance Director	\$140K	\$198K	\$245K	\$41.5K
Property Hotel Operations – Rooms Division Director	\$100K	\$147K	\$193K	\$38K
Property Hotel Operations – Food & Beverage Director	\$90K	\$125K	\$175K	\$35K

Source: Public Filings

Notes:

- Titles may be different as many operators use different designations due to size of complex or for historic reasons
- Bonus programs potentially differ greatly between branded and independent operations.
- Long-term tenure employees have a great effect on base income.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.

+ Due to the enormous size of most Vegas hotels, these titles are normal and are property level roles.

* This does not include any stock or stock options offered.

** North America is defined as Canada, USA, Latin America and the Caribbean





North America ^{**}

Department Head

Hotel & Casino (Single Unit)

2019 Hotel & Casino Department Head Compensation Branded or Well-Established Casino Hotel - 750 Rooms or Greater

Hotel Department Head

Title	Average Base Salary Reported	Highest Base Salary Reported
Hotel Resident Manager	\$77,600	\$125,400
Executive Chef	\$93,100	\$181,000
Executive Sous Chef	\$70,000	\$121,000
Food & Beverage Manager	\$98,400	\$136,000
Executive Housekeeper Public Areas	\$55,230	\$93,500
Security Manager	\$91,500	\$132,000
Director of Sales	\$77,500	\$115,000
Financial Controller (Single Unit or Dept.)	\$77,800	\$143,400
Social Media Supervisor	\$36,100	\$54,900
Revenue Manager	\$47,500	\$77,650

Casino Department Head

Surveillance Operations Manager (#2)	\$68,900	\$121,000
Slot Marketing Manager (#2)	\$62,100	\$136,500
Gaming Dealer – Multiple Games	\$34,600 *	\$49,800 *
Cage Manager	\$65,600	\$154,500
Casino Pit Manager	\$69,000	\$141,000
IT Manager	\$78,450	\$111,400
Graphic Designer	\$54,100	\$79,500
HR Director	\$79,500	\$126,800

Notes:

- The great majority of source information for this survey came from Las Vegas hotels.
- Size of hotel for this study was 1000 room Casino Hotel or larger.
- Base salary only, benefits and bonuses are not included.
- Some employees had extensive tenure which has a great effect on base income.
- Some employees are unionized, no expatriate benefits are offered.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.

* Gratuities substantially increase salary as this is an hourly paid role

** North America is defined as Canada, USA, Latin America and the Caribbean



Global **

Corporate Management (by Company Revenue)

2019 Corporate Management Compensation by Company Revenue						
(Salary Rounded to Closest Thousand, in USD)						
Completed Dec 2018						
Title Annual Company Revenue	Average Base Salary		Average Bonus		Average Total Cash Component	
	Under \$150M / year	Over \$150M / year	Under \$150M / year	Over \$150M / year	Under \$150M / year	Over \$150M / year
Chief Executive Officer	\$609K	\$1.24M	\$161K	\$960K	\$770K	\$2.20M
Chief Financial Officer	\$440K	\$822K	\$174K	\$325K	\$614K	\$1.15M
Chief Operating Officer	\$485K	\$970K	\$129K	\$515K	\$614K	\$1.49M
Executive Vice President	\$371K	\$535K	\$110K	\$278K	\$481K	\$813K
Senior VP Operations	\$320K	\$455K	\$103K	\$269K	\$423K	\$724K
VP Sales & Marketing	\$263K	\$398K	\$73K	\$205	\$336K	\$603K
VP Human Resources	\$201K	\$238K	\$38K	\$48K	\$239K	\$286K
VP Food & Beverage	\$195K	\$245K	\$35K	\$47K	\$230K	\$292K

We did not include operations where total revenues were less than \$50 million. Many of these employees are long-term executives which account for their large base salaries and exceptional bonuses.

Notes:

- Bonus programs potentially differ greatly between branded and independent operations.
- Long-term tenure employees have a great effect on base income.
- This does not include any stocks or stock options offered.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.
- In CEO compensation stocks, stock options and deferred compensation programs for tax reasons can enormously change their total compensation.

** All locations excluding USA and Canada



Global **

Executive Committee & Department Head Casino/Hotel Operations

Senior Management & Department Head Compensation Branded or Well-Established Casino Hotel (Salary in USD)

Casino/Hotel Senior Management (ExCom) + 1

Title	Average Base Salary Reported	Highest Base Salary Reported
CEO – Casino & Hotel Operations	\$411,000	\$987,000
CEO – Hotel Services Only	\$279,000	\$392,000
VP Casino & Hotel Operations	\$218,100	\$301,000
VP Player Sales & Marketing (Casino)	\$133,200	\$211,800
VP Sales & Marketing (Hotel)	\$141,900	\$201,000
Casino Property Finance Director	\$140,000	\$315,000
Rooms Division Dir / Paiza Manager (Hotel)	\$90,200	\$133,000
Food & Beverage Dir (Casino)	\$90,000	\$125,000

Casino Department Head (Not ExCom) ++

Surveillance Operations Manager (#2)	\$77,100	\$159,000
Slot Marketing Manager (#2)	\$65,600	\$151,000
Gaming Dealer – Multiple Games	\$36,600 *	\$70,800 *
Cage Manager	\$69,800	\$155,000
Casino Pit Manager	\$65,100	\$136,800
IT Manager	\$68,500	\$77,100
Graphic Designer	\$47,800	\$68,400
HR Director – Casino Staff Only	\$84,100	\$126,800

Size of hotel for this study was 500 rooms or larger. 22 casinos used for this survey; some casinos did not have a hotel component or were not associated with a connecting or nearby hotel.

Notes:

- Gross or net depends on jurisdiction i.e. Macau, Singapore is gross, Bahamas is net.
- Base salary only, benefits, initial hiring bonus and other bonuses are not included.
- Bonus programs potentially differ greatly between branded and independent operations.
- This does not include any perks, stocks or stock options offered.
- Some employees had extensive tenure which has a great effect on base income.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.
- Some salaries and bonuses have been lower, reflecting the challenges faced by some casinos in 2018.



* Gratuities substantially increase salary as this is an hourly paid role

** All locations excluding USA and Canada

+ All receive full expatriate benefits, including schooling for children if applicable

++ All receive some expatriate benefits

¹ These are the most senior individuals overseeing a single unit, but may report to an individual in another division if a multi-unit organization. Titles are diverse due to size of complex or for historic reasons but are property level roles.



Global **

Executive Committee Hotel Services, Single Unit

Senior Management Compensation Branded or Well-Established Casino Hotel (Salary in USD)		
Title	Average Base Salary Reported	Highest Base Salary Reported
General Manager ++	\$237,000	\$750,000
Hotel Resident Manager +	\$81,000	\$145,700
Executive Chef	\$85,100	\$151,000 ***
Executive Sous Chef	\$66,450	\$92,800
Food & Beverage Director	\$74,100	\$125,300
Executive Housekeeper (Casino Public Areas & Hotel)	\$70,000	\$110,300
Hotel Security Manager	\$60,000	\$91,600
Hotel Director of Sales & Marketing	\$98,150	\$151,400
Revenue Director	\$50,000	\$69,100
Hotel Financial Controller	\$73,800	\$122,800
Social Media Manager	\$36,400	\$50,400
Human Resources Dir. – Hotel Staff Only	\$74,800	\$110,000

Size of hotel for this study was 500 rooms or larger. 18 casinos used for this survey; some casinos did not have a hotel component or were not associated with a connecting or nearby hotel.

Notes:

- These are the most senior individuals overseeing a single unit, but may report to an individual in another division if a multi-unit organization. Titles are diverse due to size of complex or for historic reasons but are property level roles.
- All receive expatriate benefits.
- Gross or net depends on jurisdiction i.e. Macau, Singapore is gross, Bahamas is net.
- Base salary only, benefits, initial hiring bonus and other bonuses are not included.
- Bonus programs potentially differ greatly between branded and independent operations.
- This does not include any perks, stocks or stock options offered.
- Some employees had extensive tenure which has a great effect on base income.
- Size matters; highest compensation logically goes to the casino hotels which are the largest with biggest revenues.

** All locations excluding USA and Canada

*** In this scenario all restaurants managed by the casino hotel non outsourced, but some operated under license

+ May be termed as Hotel Manager, Director of Operations or EAM reporting to the General Manager

++ Hotel Operations ONLY and reports to the CEO of both the Casino and Hotel



Online Gaming



2019 Online Gambling Survey

Base Salary Only (in USD)

Completed Dec 2018

Title	Median	High	Low
Software Engineer 105 International Game Technology	\$91K	\$196K	\$59.5K
Software Engineer II 59 International Game Technology	\$88K	\$132.3K	\$69.1K
Systems Analyst 53 International Game Technology	\$76K	\$109K	\$68.5K
Software Engineer III 51 International Game Technology	\$112K	\$161K	\$80K
Software Engineer IV 26 International Game Technology	\$115K	\$153K	\$88.7K
Computer Systems Analyst 16 International Game Technology	\$81K	\$143K	\$72.6K
Project Manager 15 International Game Technology	\$89.9K	\$111K	\$66K
Systems Analyst 15 International Game Technology	\$84K	\$98K	\$73.6K
Business Analyst 13 International Game Technology	\$78K	\$98.2K	\$71K
Software Engineer I 11 International Game Technology	\$80K	\$125K	\$68.3K
Technical Manager 11 International Game Technology	\$96K	\$151K	\$83.5K
Manager 9 International Game Technology	\$116K	\$150K	\$82.4K
Software Engineer (Product Assurance Engineer II) 9 International Game Technology	\$90K	\$106K	\$73K
Senior Software Engineer 8 International Game Technology	\$126K	\$169K	\$77.8K
Lead Software Engineer 8 International Game Technology	\$83.2K	\$107K	\$76.7K

Up and above base salary are extensive benefits and bonuses, and may include stock or stock options. The median value of bonuses and benefits in 2018 was 29% while some receive over 150% of base income not including stock or stock options. This does not include hiring bonuses or one-time "special" bonuses for devising a new process or a new piece of software to increase traffic to the site, etc.



Online Gaming Remarks

The global online gambling market is anticipated to generate revenues of more than \$75 billion by 2023, growing at a CAGR of approximately 10% during 2018 – 2023.

The increasing availability of cost-effective mobile applications worldwide will help online gaming companies to generate higher revenues in the global market. The dynamic changes of lifestyle, improvements in the living conditions, high spending power and awareness of the latest technologies will drive the market. The online gambling market is also driven by an increase in incomes combined with the cost-effectiveness of mobile applications, which is attracting new players.

Other executive/senior roles specific to Online Gaming not reported in this study are listed below, job descriptions and compensation reports are available:

- Head of Studios (Studio Management)
- SVP Strategic Business Unit (Business Management)
- SVP Production Management (Product Development)
- VP Creative Direction (Product Development)
- VP / Executive Producer (Product Development)
- Executive Live Ops Producer (Product Development)
- VP Monetization (Product Development)





Benefits Overview

The figures of our surveys found in the previous section are base salaries only, no benefits are included. The following are personal benefits received by Executives of all categories of casinos and gaming facilities worldwide – some offer all and some just a few of these benefits:

- Life/medical/dental/disability insurance
- Pension Plan
- Housing or living allowance for family
- Car provided or allowance/mileage
- Schooling for family in the country of employment or an allowance for higher learning in an offshore institution
- Paid vacation from two to six weeks or travel allowance (yearly)
- R&R allowance if location is isolated or expectations to work 7 days per week or long shifts
- Complimentary meals and beverages for self & family at place of business or at a discount (house account)
- Dining out allowance
- Clothing or dry cleaning allowance
- Use of hotel, casino and/or spa facilities for self & family
- Membership in a private Social, Golf or Country Club
- Bonuses – on personal, company or team performance
- Profit sharing:
 - If a public company, shares or share options
 - If not a public company, phantom shares
- Ownership opportunities
- Free professional accounting or legal advice
- If location is hardship, a hardship allowance
- Other personal benefits as per individual situations





Conclusion – 2019 Going Forward

As the gaming industry grows, the escalation of pay seems inevitable. **What does this mean for gaming companies?**

The answer: higher payrolls, greater utilization of computerization, higher incentives and the overwhelming need to retain management talent. The catalyst for this is specialized US gaming, which is prevalent almost everywhere and adheres to the most stringent legal hiring requirements for gaming licenses. Overall, the majority of key casino employees hail from the USA** or Canada, which we call the Renard Birdcage Effect*. On the other hand, operation executives (non-gaming executives) can come from a more diverse range of places around the world.

As a result of worldwide casino growth, including many with no USA affiliation, American gaming consultants are training local executives. Therefore a non-American casino corporation can now employ locals with the ability to operate American-style casinos rather than hiring more expensive American casino management.

Our overall opinion is that 2018 and 2019 going forward (like 2017) will continue to be a global scavenger hunt for these American-trained casino executives. Additionally, incestuous employment policies along with engagement bonuses will continue to be the norm.

Notes:

- * *The Renard Birdcage Effect* refers to shaking the birdcage, causing the birds to change perches (talent moves from one company to another), however they are the same birds.
- ** American citizens or green-card casino executives (even offshore) pay some USA taxes, therefore American citizens are not tax-free and require financial incentives to recruit.



Disclaimer & Contact

Whilst proper due care and diligence has been taken in the preparation of this document, Renard International cannot guarantee the accuracy of the information contained and does not accept any liability for any loss or damage caused as a result of using information or recommendations contained with this document.



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