

# **EXHIBIT B**

# **EXHIBIT B**

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

CAESARS WORLD, INC., a Florida  
corporation,

Plaintiff,

v.

MARCEL JULY, and individual, and  
OCTAVIUS TOWER LLC, a Nevada Limited  
Liability Company,

Defendants.

CASE NO. 2:11-CV00536-GMN-PAL

**DECLARATION OF FRANCES D. PUGHSLEY**

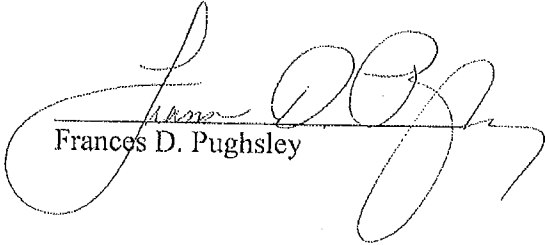
I, Frances D. Pughsley, declare as follows:

1. I am over eighteen years of age and suffer from no legal disability. I am familiar with the facts and circumstances in this action and am personally knowledgeable of the matters set forth in this declaration and, if called upon to do so, I could and would testify competently to the facts set forth herein.
2. I am Director of Library Services at Alston & Bird, LLP, counsel for Plaintiff Caesars World, Inc. ("Caesars") in the above-captioned matter.
3. Attached hereto as Exhibit 1 are true and correct copies of news and magazine articles that reference Octavius Tower at Caesars Palace.
4. Attached hereto as Exhibit 2 are true and correct copies of web pages retrieved from various websites that reference Octavius Tower at Caesars Palace.

5. Attached hereto as Exhibit 3 are true and correct copies of web pages retrieved from the website of Mr. D'z Route 66 Diner available at <http://www.mrdzrt66diner.com/index.html>.
6. Attached hereto as Exhibit 4 is a true and correct copy of a web page retrieved from the website of the *Las Vegas Sun* available at [www.lasvegassun.com](http://www.lasvegassun.com).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

This 6<sup>th</sup> day of June 2011.

  
\_\_\_\_\_  
Frances D. Pughsley

**EXHIBIT B-1**

**EXHIBIT B-1**



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 Photos: [Octavius Tower detail rendering](#) | [Looking Northeast across Flamingo](#)

Today: July 19, 2007 at 8:33:11 PDT



## LAS VEGAS

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## Caesars' aim: Keep towering over Strip

### Owner to unveil \$1 billion plan for a new high rise and convention center

By Liz Benston  
Las Vegas Sun

Forty-year-old Caesars Palace draws back the curtain today on plans for the property's seventh hotel tower - the third block of rooms to be shoehorned onto the site within a dozen years and a project that demonstrates the rare staying power of a historic brand.

The \$1 billion investment includes a 665-room, 23-story tower; a 263,000-square-foot convention center and a new front entrance and lobby for the main casino. It comes at a time of transition for parent company Harrah's Entertainment, which is expected to go private as part of a wave of private equity takeovers of major companies.

**THE EMPIRE:** With the opening of the Octavius Tower on the southern side of the property, Caesars Palace will have 4,013 rooms (up from 3,348 rooms today).

[Click here for a printable graphic.](#)

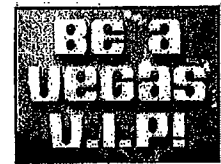
The \$17.1 billion buyout has raised questions about how the world's largest casino company will be run.

And now we're getting a big clue.

The new tower, which is expected to be completed by the first quarter of 2009, signals that Harrah's new private owners will forge ahead with strategic projects even as Harrah's has trimmed its corporate staff.

The fact that Harrah's is targeting Caesars before tackling expansions at its other Las Vegas casinos speaks to the importance of its flagship resort, which has created a legacy of old yet new, kitsch yet elegant, venerable yet hip.

Caesars, the grand dame of the Strip, has undergone numerous makeovers.



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The property's history is one of additions large and small as well as ongoing touch-ups - from raising too-low casino ceilings to repainting facades in brighter hues.

This latest addition will not only be the most expensive in Caesars' history, but perhaps its most important, because it will occupy one of the last unused spaces on the 85-acre site, one of the largest parcels on the Strip.

The new Octavius Tower will sit west of the Flamingo Road-facing Augustus Tower on land partly occupied by the pool area, which will be redesigned with additional pools and outdoor amenities such as a restaurant and spa to fit the new space. The Pavilion events center at the rear of the property will be torn down to accommodate a new, larger convention center.

Historically, hotel additions have been smart investments for casinos because they're cheaper than building entire resorts and, as luxury offerings, can command higher room rates. But the company, especially as it goes private, may not be concerned with mere short-term profit.

During the next few years, Harrah's plans to open Caesars resorts in the Bahamas, Slovenia and Spain as part of an aggressive plan to expand that brand worldwide. Upgrading its flagship to a higher standard isn't only a Strip requirement, but may also be a global imperative.

Tinkering with a 40-year-old brand is a tricky task. Although Caesars has lost some cachet to rivals Wynn Las Vegas, Venetian, Bellagio and MGM Grand, it remains the oldest and most recognizable luxury property in Las Vegas.

The task of expanding the property falls to Greg Miller, Harrah's vice president of property development and a veteran in cultivating entertainment brands.

"You really only have one chance to get it right with customers," he said. "We need to make sure we really nail the details."

Before joining Harrah's three years ago, Miller developed Universal Studios' theme parks and headed Universal Mediterraena in Spain, Europe's second-largest resort.

In Caesars, the new owners can claim the Strip's first heavily themed resort, a place that made its name with roaming centurions, prize fights, high rollers and A-list headliners. Its various owners also have preferred to build additions rather than implode and start over, as has occurred up and down the Strip.

That strategy has resulted in a topsy-turvy collection of labyrinthine buildings, including multiple hotel towers with their own names and reputations, some several decades old.

Although no longer the biggest high roller joint, Caesars hopes to maintain its ranking among top-drawer hotels while about \$30 billion in resort development comes to the Strip in the coming years.

Rooms in the new Octavius Tower, named for Julius Caesar's nephew, will start at 600 square feet and include 71 suites, topping out with villas of more than 10,000 square feet with terraces, poolside access and private entrances from Flamingo Road a stone's throw from Interstate 15.

The new rooms will include flat-panel TVs, bedside iPod docking stations, layered coverlets and sheets rather than duvets, televisions above bathroom sinks and digital "do not disturb" signs.

The central lobby spilling into the original, circular casino pit will be remodeled in a grander style, and the old casino ceiling - one of the last recognizable relics in the property - will be raised by at least 10 feet. There will be plenty of Greco-Roman touches in these additions, Miller said.

"There's an essence here. The history of Caesars is something to build upon, not to reinvent from scratch," Miller said.

Caesars Palace recorded its best year in 2006, with operating profit rising more than 50 percent.

Credit for that, analysts say, goes in part to the days before Harrah's purchased Caesars Entertainment in 2005, with the opening of two celebrity-chef restaurants, the deluxe Colosseum Theater hosting Celine Dion, and Pure, which at the time was the most expensive nightclub in town.

Under Harrah's, Caesars has continued to morph, with a leopard print gambling pit with lingerie-wearing dealers based on Caesars' Pussycat Dolls show, and the opening of Rao's, an outpost of the famed Harlem eatery.

"The updates they've done to date have very much kept it in the loop as premier place," said Anthony Curtis, publisher of the Las Vegas Advisor newsletter. "Caesars is not in any way considered outmoded. And it's as good a gambling brand as it gets."

The changes have helped address some fears that Harrah's - known for middle-of-the-road gambling halls across the country catering to the retired, fanny-pack crowd - would cheapen the higher-end Caesars brand.

Executives say the sale of Harrah's to private owners hasn't influenced progress on the Octavius Tower, for which planning began a year and a half ago, six months after Harrah's took over the property.

"The Augustus rooms were so well received that we knew right away that we'd better get going and build more," Miller said. With the addition, Caesars will have 4,013 rooms.

"There are more people who want to stay at Caesars than we have rooms," he said.

What happens next for the company, at least in Las Vegas, is unclear.

The expansion is a first step in what Harrah's hopes will become a master-plan upgrade encompassing the multiple casinos it owns across from Caesars Palace, east of the Strip.

Miller says Harrah's is studying its options.

For now, all eyes are on Caesars.

Liz Benston can be reached at 259-4077 or at [benston@lasvegassun.com](mailto:benston@lasvegassun.com).

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July 19, 2007 Thursday 10:12 PM GMT

**LENGTH:** 557 words

**HEADLINE:** \$1 billion expansion for Caesars Palace

**BODY:**

LAS VEGAS (AP) - Gambling giant Harrah's Entertainment Inc. announced a \$1 billion expansion Thursday for its flagship Caesars Palace hotel-casino in a bid to compete with a wave of new megaresorts planned for the Las Vegas Strip.

The company plans to build a 665-room tower called Octavius, three pool villas for high rollers, add an extra 263,000 square feet of convention space and upgrade 512 of its oldest rooms.

The expansion, which adds a sixth tower and will bring the room count to 4,013 by early 2009, is the most expensive for the 41-year-old property at the corner of one of the Strip's most famous intersections.

'When people come here, they will still feel like they are at their father's Caesars Palace, but they'll also feel that they're at the Caesars Palace for the new generation,' said the property's president, Gary Selesner.

The expansion, which comes after shareholders agreed in April to be bought by private equity firms Apollo Management Group and Texas Pacific Group for \$17.1 billion, shows the new owners' continued appetite to spend more capital.

In May, Harrah's announced the first phase of what will be a \$1 billion Margaritaville Casino & Resort in Biloxi, Miss.

Harrah's Entertainment is the world's largest gambling company by revenue and second-largest on the Las Vegas Strip, where it also operates the Flamingo, Paris, Ballys, Rio and Harrah's hotel-casinos.

Caesars' expansion will allow the property to raise room rates in line with a raft of upscale, multibillion dollar megaresorts planned for the Strip, Selesner said.

They include Las Vegas Sands Corp.'s \$2.6 billion Palazzo set to open by the end of the year and the Wynn Resorts Ltd.'s \$2.1 billion Encore scheduled to open in 2009. The \$7.4 billion CityCenter mixed-use project planned by MGM Mirage Inc. is targeted for late 2009 and the \$4.8 billion Echelon development by Boyd Gaming Corp. is set for late 2010.

'We think we've put together a program and a package that will now allow Caesars Palace to compete with

whatever is coming down the line,' Selesner said.

The move also is intended as an incentive for customers who gamble and earn frequent player points at Harrah's 39 casinos in the U.S., Canada and Uruguay. Those gamblers can spend points at Caesars or vice versa. Harrah's also is seeking to expand the Caesars brand from properties in Las Vegas, Atlantic City and Indiana into the Bahamas, Slovenia and Spain.

'We're building value into the Total Rewards network at all the properties,' Selesner said.

New rooms will feature flat-panel TVs, clock radios with iPod docking stations, TVs embedded in bathroom mirrors and upscale linens. Renovated rooms will include marble 'surround showers' that accommodate two people.

The expansion follows recent additions at Caesars Palace, such as opening a version of the exclusive Harlem restaurant Rao's, and the signing of Bette Midler as a headline performer to replace Celine Dion next year.

The property also is expanding its pool complex with more cabanas, a cafe and an outdoor spa and wedding venue, and upgrading its sports book, buffet and food court.

The company plans to hire 1,000 more people to staff the property in addition to the 7,500 current employees.

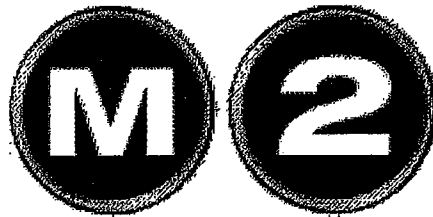
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**LOAD-DATE:** July 23, 2007



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Travel & Leisure Close-up

July 19, 2007 Thursday

LENGTH: 828 words

**HEADLINE:** Harrah's Entertainment to Spend \$1 Billion on Expansion of Caesars Palace in Las Vegas

**BODY:**

Harrah's Entertainment announced an approximately \$1 billion expansion of Caesars Palace in Las Vegas, a key initiative in the development of the company's Caesars brand.

The company said the expansion is another project in the extensive growth portfolio announced in the past 24 months by Harrah's, including: London Clubs International, Margaritaville Casino & Resort in Biloxi, Miss., The Pier at Caesars Atlantic City, a new hotel tower at Harrah's Atlantic City, a new hotel at Harrah's New Orleans, and a substantial expansion to the Horseshoe Casino in Hammond, Ind.

The center piece of the expansion is the luxurious new 665-room hotel tower -- the Octavius Tower. The Octavius Tower will be located adjacent to a new 263,000-square-foot meeting and convention center. Three new luxurious pool villa suites will be built along the second floor of the new tower and will overlook three new swimming pools that will rim an expanded outdoor whirlpool spa retreat, a poolside cafe and nearby garden wedding venue. This expansion is slated for completion in early 2009.

"This billion dollar investment in our flagship property, Caesars Palace in Las Vegas, is an important part of our comprehensive global growth strategy," said Gary Loveman, chairman, chief executive officer and president of Harrah's Entertainment, Inc. "From the United Kingdom to Las Vegas and beyond, we will continue to enhance our network of branded properties to deliver unforgettable guest experiences and provide good jobs for our nearly 100,000 team members around the world."

"With 2006 operating income up 63 percent over the prior year and impressive increases in customer service scores during the same period, Caesars Palace hasn't just gotten bigger since the 2005 opening of the Augustus Tower, it's

Harrah's Entertainment to Spend \$1 Billion on Expansion of Caesars Palace in Las Vegas Travel & Leisure Close-up  
July 19, 2007 Thursday

gotten better," said Tom Jenkin, president of the Western Division of Harrah's Entertainment, Inc. "Our expansion plans in Las Vegas are a reality thanks to the hard work of a great employee team."

Named for the great-nephew of Julius Caesar, who later changed his name to Augustus, the \$375 million Octavius Tower will adjoin and resemble the resort's Augustus Tower that opened in August 2005 with a new hotel registration lobby and VIP check-in lounges. In addition to convenient access from the hotel lobby and VIP reception areas, Octavius guests also will enjoy panoramic views and direct entry to swimming pools and gardens.

In addition to the new Octavius Tower, the resort's existing 512-room Forum Tower will undergo a major refurbishment. A regal new front entrance and expanded valet parking will open to expansive new casino interior decor, inviting guests to a remodeled buffet restaurant, redesigned Cypress Street Marketplace casual restaurant and enlarged Race & Sports Book.

Designer Wilson & Associates will create Octavius Tower interiors. Spacious guest rooms will offer entertainment amenities that include large, flat-panel televisions and bedside clock radios with iPod docking stations. Beds will be dressed with premium linens and bolster pillows; fashion-forward matlasses (mat lah SAYS) will replace traditional duvets. Luxurious marble bathrooms will feature generous dual-head showers and whirlpool tubs, with televisions above double vanities. Bathrooms will be bathed in natural light through doors that open into the bedrooms.

With a nod to the resort's Greco-Roman heritage, guest room entry doors will be customized with Greek key patterns, where electronic doorbells and electronic "do not disturb" features will ensure guest privacy. Floors 21 through 23 will be comprised exclusively of suites; special key cards will be required to access these levels.

Scheduled to open in the first quarter of 2009, the Octavius Tower will increase the Caesars Palace room/suite offering from 3,348 to 4,013.

"Our guests have been thrilled with the Augustus Tower and its associated upscale services and amenities," said Gary Selesner, president of Caesars Palace. "This new expansion opens an exciting new chapter in the renaissance that began with opening of The Colosseum, and continues with the February 2008 debut of Bette Midler's all-new production, which will be presented a minimum of two years. With a spectacular new show, new guest rooms, suites and more, Caesars Palace will be well positioned to continue to welcome the world's most discriminating clientele."

The complete refurbishment of the Forum Tower is scheduled to be completed in January 2008 at a cost of \$83 million. The tower's two penthouses will be remodeled by the first quarter of 2008.

Renowned design firm Hirsch-Bedner Associates is creating all Forum Tower interiors except the two penthouses, which were created by, and will be remodeled by Wilson & Associates.

The construction team will be led by builders and architects:

-- Marnell Architecture, Executive Architect -- Bergman Walls, Architect of Record. -- Marnell - Keating, Joint Venture, Contractor

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LOAD-DATE: July 19, 2007 Thursday



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July 19, 2007 Thursday 9:04 PM GMT

**SECTION:** BUSINESS NEWS

**LENGTH:** 566 words

**HEADLINE:** Harrah's plans \$1 billion expansion for Caesars Palace in Vegas

**BYLINE:** By RYAN NAKASHIMA, AP Business Writer

**DATELINE:** LAS VEGAS

**BODY:**

Gambling giant Harrah's Entertainment Inc. announced a \$1 billion (euro0.72 billion) expansion Thursday for its flagship Caesars Palace hotel-casino in a bid to compete with a wave of new megaresorts planned for the Las Vegas Strip.

The company plans to build a 665-room tower called Octavius, three pool villas for high rollers, add an extra 263,000 square feet of convention space and upgrade 512 of its oldest rooms.

The expansion, which adds a sixth tower and will bring the room count to 4,013 by early 2009, is the most expensive for the 41-year-old property at the corner of one of the Strip's most famous intersections.

"When people come here, they will still feel like they are at their father's Caesars Palace, but they'll also feel that they're at the Caesars Palace for the new generation," said the property's president, Gary Selesner.

The expansion, which comes after shareholders agreed in April to be bought by private equity firms Apollo Management Group and Texas Pacific Group for \$17.1 billion (euro12.37 billion), shows the new owners' continued appetite to spend more capital.

In May, Harrah's announced the first phase of what will be a \$1 billion (euro0.72 billion) Margaritaville Casino & Resort in Biloxi, Mississippi.

Harrah's Entertainment is the world's largest gambling company by revenue and second-largest on the Las Vegas Strip, where it also operates the Flamingo, Paris, Ballys, Rio and Harrah's hotel-casinos.

Caesars' expansion will allow the property to raise room rates in line with a raft of upscale, multibillion dollar megaresorts planned for the Strip, Selesner said.

Harrah's plans \$1 billion expansion for Caesars Palace in Vegas Associated Press Worldstream July 19, 2007 Thursday  
9:04 PM GMT

They include Las Vegas Sands Corp.'s \$2.6 billion (euro1.88 billion) Palazzo set to open by the end of the year and the Wynn Resorts Ltd.'s \$2.1 billion (euro1.52 billion) Encore scheduled to open in 2009. The \$7.4 billion (euro5.35 billion) CityCenter mixed-use project planned by MGM Mirage Inc. is targeted for late 2009 and the \$4.8 billion (euro3.47 billion) Echelon development by Boyd Gaming Corp. is set for late 2010.

"We think we've put together a program and a package that will now allow Caesars Palace to compete with whatever is coming down the line," Selesner said.

The move also is intended as an incentive for customers who gamble and earn frequent player points at Harrah's 39 casinos in the U.S., Canada and Uruguay. Those gamblers can spend points at Caesars or vice versa. Harrah's also is seeking to expand the Caesars brand from properties in Las Vegas, Atlantic City and Indiana into the Bahamas, Slovenia and Spain.

"We're building value into the Total Rewards network at all the properties," Selesner said.

New rooms will feature flat-panel TVs, clock radios with iPod docking stations, TVs embedded in bathroom mirrors and upscale linens. Renovated rooms will include marble "surround showers" that accommodate two people.

The expansion follows recent additions at Caesars Palace, such as opening a version of the exclusive Harlem restaurant Rao's, and the signing of Bette Midler as a headline performer to replace Celine Dion next year.

The property also is expanding its pool complex with more cabanas, a cafe and an outdoor spa and wedding venue, and upgrading its sports book, buffet and food court.

The company plans to hire 1,000 more people to staff the property in addition to the 7,500 current employees.

On the Net:

Harrah's Entertainment Inc., <http://www.harrah.com>

**LOAD-DATE:** July 20, 2007



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Copyright 2007 Los Angeles Times  
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Los Angeles Times

July 20, 2007 Friday  
Home Edition

**SECTION:** BUSINESS; Business Desk; Part C; Pg. 1

**LENGTH:** 745 words

**HEADLINE:** CASINOS;  
Caesars expansion gets royal treatment

**BYLINE:** Kimi Yoshino, Times Staff Writer

**BODY:**

Celine Dion is leaving Las Vegas, but her legacy may long reign over the Strip -- in the form of a \$1-billion expansion and renovation of Caesars Palace, including a 665-room tower, a "palatial" new casino entrance and three swimming pools.

It is the largest expansion in the resort's 41-year history and made possible in part by Dion's successful 4 1/2 -year run, which has already fueled the addition of nearly 1,000 rooms, helped attract celebrity chefs and packed 4,100 fans five nights a week into the resort's Coliseum.

Caesars' parent company, gaming giant Harrah's Entertainment Inc., said Thursday that the massive project would help Caesars keep pace with the rest of the Strip, where a torrent of renovations, demolitions and new projects is underway.

"It's a time of great competition, not only in Las Vegas, but in places like Macao," Caesars Palace President Gary Selesner said. "The city and the properties have the desire to stay fresh and to reinvent themselves. Everyone talks about Macao being a new Las Vegas. Las Vegas has always risen to every challenge."

These days, the Strip is looking like an unwieldy construction zone, with towering cranes and construction crews on nearly every block.

Existing resorts, such as the Wynn and the Venetian, are building new towers. The Luxor hotel-casino announced last week that it would give its Egyptian-themed pyramid a \$300-million makeover. Boyd Gaming broke ground last month on the \$4.8-billion Echelon project, which will include five hotels and more than 30 restaurants and nightclubs.

MGM Mirage is building the \$7.4-billion CityCenter a mixed-use development next to the Bellagio that includes six towers -- a casino-resort, condos and boutique hotels.

## CASINOS; Caesars expansion gets royal treatment Los Angeles Times July 20, 2007 Friday

The major projects also boast huge theaters, such as the \$100-million, 4,100-seat Coliseum built for Dion in 2003. When she departs Ceasars at the end of the year, Bette Midler will take her place for a 200-show run.

"Celine Dion put Ceasars Palace on the map in an even bigger way," Selesner said. "She allowed us, in part, to attract some of the celebrity chefs.... On a base level, she puts 4,000 people a day in the Coliseum, who before the show and after the show, are eating in our restaurants, staying at our hotel, visiting the nightclub and gambling at the casino."

Tickets for Dion's shows average \$150. But her effect extends beyond those sales. Dion helped boost restaurant profits alone by the "tens of millions," Selesner estimated. And in 2006, a year after opening the 949-room Augustus Tower, the casino-resort's operating income rose 63%.

"There was some initial doubt about whether this Celine show was going to work and whether it was a good idea," said Howard Lefkowitz, president of Vegas.com. "Without a question, all of those initial doubts have been absolutely shot down. It has been terrific for Ceasars; it's been great for Las Vegas."

Dion's success ushered in a new era of Vegas headliners: Elton John, Barry Manilow, Toni Braxton and Prince. "It has brought back a lot of the glamour of the headliners of the old days with Frank [Sinatra] and Sammy [Davis Jr.] and Dean [Martin] and all those guys," Lefkowitz said. "It's kind of a new version of the Rat Pack.... I think those glamour days are back."

The Strip is moving away from the family-friendly focus of the 1990s. Cheap buffets have given way to celebrity chefs; nickel slots to high-stakes poker rooms. Luxury rooms are more common than budget hotels, though there are still mid-week deals to be found.

The oldest casinos are being shut down and demolished to make room for new projects. On Monday, the New Frontier, one of the Strip's most affordable hotels, closed after 65 years.

In its place, Elad Group, owner of the Plaza hotel in New York, plans to build a \$5-billion project to open in 2011. It will include a luxury hotel, homes, stores and a casino.

The Caesars Palace renovation will also up the ante on luxury. It plans the 665-room Octavius Tower, slated for completion in early 2009. It will include three pool villa suites overlooking three new swimming pools, an outdoor "whirlpool spa retreat" and a garden wedding venue.

The existing Forum Tower will be remodeled. Bathtubs will be removed to make room for more sleep and lounge space and large rain showers big enough for two. All rooms will have flat-panel televisions, iPod docks and doorbells. Some refurbished floors will reopen this year. The rest will be finished by January.

--

kimi.yoshino@latimes.com

**GRAPHIC: PHOTO: EXPANSION PLANS: Caesars Palace executives, from left, Gary Selesner, Tom Jenkin and John Unwin hold renderings of the project during a news conference at the Las Vegas hotel. PHOTOGRAPHER: Jae C. Hong Associated Press**

**LOAD-DATE: July 20, 2007**





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Las Vegas Review-Journal (Nevada)

July 20, 2007 Friday

**SECTION:** D; Pg. 1D

**LENGTH:** 992 words

**HEADLINE:** Emperor's new clothes

**BYLINE:** Arnold M. Knightly

**BODY:**

review-journal

When Harrah's Entertainment acquired Caesars Palace 25 months ago, employees were worried about the direction the new owners might take the high-profile property, according to general manager John Unwin.

"We were really concerned Harrah's was going to take us out of the high-end business," he said. "It took a year for the staff to really believe it would only be better."

Any lingering questions should have been answered Thursday with the announcement of a \$1 billion Caesars Palace expansion intended to keep the 41-year old property competitive in the evolving high-end Strip market.

"Caesars is our premium offering in the market," said Gary Loveman, Harrah's chairman and chief executive officer. "It would be the property of ours that would come under greatest (attack) from these new high-end properties."

The project includes a sixth hotel tower that will add 665 rooms, remodeling of the existing Forum Tower, adding a 263,000-square foot convention area, enlarging the front entrance and valet parking area, three new swimming pools and enlarging and modernizing the sports book.

The various projects will be finished in stages, with the Octavius Tower scheduled for completion in early 2009.

Unwin said 1,000 jobs will be added to the current staff of 7,500 and the number of rooms will increase to 4,013.

"We're committed and confident this will strengthen the world's greatest casino-resort brand," said Gary Selesner, Caesars Palace president. "It will allow this property to serve as a flagship for the growth of this company for years to come."

Selesner said another announcement about additional projects at Caesars could come within the next two months.

Emperor's new clothes Las Vegas Review-Journal (Nevada) July 20, 2007 Friday

Harrah's received approval from Clark County officials in January to expand the casino and add retail space on the southeast corner of the property, but Selesner was noncommittal.

The announcement comes while other major gaming companies are investing billions of dollars to build new high-end resorts on the Strip that will compete for Caesars Palace's core customers.

Approximately 28,000 rooms are expected to be added along the Strip by the end of 2011, according to an investors note from Wachovia Capital Markets gaming analyst Brian McGill.

High-end projects under construction include MGM Mirage's \$7.4 billion CityCenter, Boyd Gaming Corp.'s \$4.8 billion Echelon, Wynn Resorts Ltd.'s \$2.1 billion Encore and Las Vegas Sands' \$1.8 billion Palazzo.

"We absolutely think we need to make Caesars as terrific as it can be in the face of this new competition," Loveman said.

The \$375 million Octavius Tower will include 71 suites and three 10,000-square foot pool villas.

The announcement comes with Harrah's Entertainment in the regulatory process of a \$17.1 billion buyout by private equity firms Texas Pacific Group and Apollo Management.

Loveman said the project reaffirms what he has been saying since December, when the buyout was announced: That large capital investment projects will not stop under the new ownership.

"I think this project demonstrates there is a lot of misunderstandings about (leveraged buy-outs) and private equity deals," he said. "The deal is not about stopping growth or stopping activity. As this project demonstrates, we are going to continue to build the company and grow."

Loveman said the new ownership group had to approve the Caesars Palace investment and the \$704 million Margaritaville Casino & Resort in Biloxi, Miss., announced May 15.

Harrah's investment in Caesars is part of a larger plan to take the brand global when developing other high-end properties.

"In order to have a Caesars you have got to have all the range of services people would expect," said Loveman, mentioning plans to brand new projects in the Bahamas and Spain.

Harrah's acquired the Caesars Palace as part of the \$9.4 billion buyout of Caesars Entertainment in June 2005.

It quickly became the flagship property of the expanded gaming company and helped grow the customer rewards program, Total Rewards, to close to 40 million people.

Loveman said Harrah's quickly learned just how valuable having Caesars in its portfolio was.

"The demand for the Caesars brand is much bigger and stronger than we could have anticipated," Loveman said. "Once we offered Caesars Palace (in Total Rewards) the demand was absolutely enormous."

The property's operating revenue increased 63 percent in 2006, the first full year under Harrah's and with the new 949-room Augustus Tower, according to Tom Jenkin, the company's president of the western division.

While the \$1 billion announcement is Harrah's largest capital improvement investment in Las Vegas to date, the future of projects for the company's extensive land holdings on the east side of the Strip still remain in flux.

South of Flamingo Road, Harrah's owns 91 continuous acres, including Paris Las Vegas, Bally's and undeveloped

land along Koval Lane stretching to Harmon Avenue.

North of Flamingo, it owns 99 acres, including Bill's, the Flamingo, Harrah's and Imperial Palace.

Jenkin said the company is still master-planning the land and there is no schedule to announce any projects.

Total cost:

approximately \$1 billion

New **Octavius** Tower

350-foot, 23-story tower.

665 rooms, 71 suites.

Three new 10,000-square foot pool villas on second floor

Cost: \$375 million.

Scheduled completion: early 2009.

Forum Tower refurbishment

512 rooms in 24-story tower.

In-room whirlpools removed.

Cost: \$83 million

Scheduled completion:

January 2008.

New Convention Center

Two levels, attached to Palace Tower.

263,000-square feet.

Scheduled completion: early 2009.

Three new swimming pools

Replace Apollo pool & outdoor spas.

One 1,600-square foot invited- guest only pool.

Two 1,900-square-foot pools for hotel guests, private parties, catered functions.

Scheduled completion: second quarter 2009.

Other remodels

**Caesars Palace** front entrance expanded.

Emperor's new clothes Las Vegas Review-Journal (Nevada) July 20, 2007 Friday

Expanded valet parking.

Remodel casino.

Enlarge race & sports book.

New restaurants, entertainment.

**LOAD-DATE:** July 23, 2007



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The Houston Chronicle

July 20, 2007 Friday  
3 STAR EDITION

**SECTION:** BUSINESS; Pg. 3

**LENGTH:** 785 words

**HEADLINE:** AROUND THE NATION

**BYLINE:** Houston Chronicle News Services

**BODY:**

**COURT**

Media mogul wins bid to stay free

CHICAGO - Former media mogul Conrad Black may remain free on bond while awaiting sentencing for swindling the Hollinger International media empire he once ran out of millions of dollars, a judge ruled Thursday.

U.S. District Judge Amy St. Eve turned down a request by federal prosecutors to have the Canadian-born newspaper executive jailed immediately lest he return to his native country and fight extradition.

But St. Eve imposed tight restrictions on Black's travel while free on bond. He may not stray from the Chicago area or south Florida, where he and his wife own an estate.

**TRADING**

Confused investors leave oil, gas mixed

NEW YORK - Gasoline and oil futures closed mixed on Thursday as investors tried to decipher a confusing picture of domestic gasoline production.

Oil briefly hit \$76 a barrel for the first time in 11 months.

Gas futures stalled a day after they rose 9 cents a gallon on a surprise decline in inventories that didn't square with higher refinery utilization levels and a lingering sentiment that gas prices likely have peaked for the season.

Gasoline futures for August fell 0.39 cent to settle at \$2.1914 on the New York Mercantile Exchange. Light, sweet

crude for August delivery jumped 87 cents to settle at \$75.92 a barrel.

August heating oil futures rose 0.93 cent to \$2.1143 a gallon, while natural gas advanced 17.8 cents to \$6.706 per million British thermal units.

#### TRAVEL

Aug. 8 takeoff for Virgin America

Virgin America, the upstart airline that cut its ties to Richard Branson's British-based mother ship to gain access to the domestic U.S. market, started selling tickets on those routes Thursday.

The carrier says it plans to start service on Aug. 8 with two daily nonstop flights between San Francisco International Airport and New York's John F. Kennedy International Airport, with prices starting at \$139 each way, plus five daily flights between San Francisco and Los Angeles International Airport. The shorter flights start at \$44 each way.

#### INVESTING

2 from Take-Two plead guilty

Take-Two Interactive Software's former chief lawyer, Kenneth Selterman, 52, and ex-chief accounting officer, Patti Tay, 31, pleaded guilty to falsifying business records in a probe of the company's improper backdating of employee stock options.

Take-Two, maker of Grand Theft Auto video games, brought in new management this year after five quarters of losses and the options scandal that forced it to restate eight years of results.

Ryan Brant, 35, the company's former chief executive officer who pleaded guilty in February to falsifying business records, was the first CEO convicted of stock-options backdating.

#### GAMBLING

Harrah's to build up Caesars Palace

LAS VEGAS - Gambling giant Harrah's Entertainment announced a \$1 billion expansion Thursday for its flagship Caesars Palace hotel-casino in a bid to compete with a wave of new megaresorts planned for the Las Vegas Strip.

The company plans to build a 665-room tower called Octavius and three pool villas for high rollers, add an extra 263,000 square feet of convention space and upgrade 512 of its oldest rooms.

The expansion, which adds a sixth tower and will bring the room count to 4,013 by early 2009, is the most expensive for the 41-year-old property at the corner of one of the Strip's most famous intersections.

The expansion, which comes after shareholders agreed in April to be bought by private equity firms Apollo Management Group and Texas Pacific Group for \$17.1 billion, shows the new owner's continued appetite to spend more capital.

#### IN OTHER NEWS ...

Freddie Mac, the mortgage company, reported Thursday that 30-year, fixed-rate mortgages averaged 6.73 percent this week, the same as last week. Rates on 15-year, fixed-rate mortgages edged down to 6.38 percent from 6.39 percent.

Rates on five-year adjustable rate mortgages stayed at 6.35 percent. Rates on one-year adjustable rate mortgages edged up to 5.72 percent from 5.71 percent.

The seven-day average yield on money market mutual funds rose in the week ended Tuesday to 4.71 percent from 4.70 percent the previous week, said Money Fund Report. The 30-day average yield was unchanged at 4.70 percent. The seven-day compounded yield rose to 4.82 percent from 4.81 percent and the 30-day compounded yield was unchanged at 4.81 percent. The average maturity of the portfolios held by money funds was 41 days, down from 42.

Verizon Wireless, a mobile-phone company, will pay Broadcom Corp. as much as \$200 million to bypass a possible ban on some handsets that use Qualcomm's chips. The agreement will give Verizon Wireless the right to use a patent found to have been infringed by Qualcomm. Broadcom won a trade ruling last month against Qualcomm.

**GRAPHIC:** Mug: Conrad Black

**LOAD-DATE:** July 20, 2007



155 of 173 DOCUMENTS

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July 20, 2007, Friday 3:34 PM EST

**SECTION:** DOMESTIC NEWS

**LENGTH:** 897 words

**HEADLINE:** Caesars Palace plans another expansion

**BYLINE:** LIZ BENSTON, Las Vegas Sun

**DATETIME:** LAS VEGAS

**BODY:**

Forty-year-old Caesars Palace draws back the curtain this week on plans for the property's seventh hotel tower -- the third block of rooms to be shoehorned onto the site within a dozen years and a project that demonstrates the rare staying power of a historic brand.

The \$1 billion investment includes a 665-room, 23-story tower, a 263,000 -- square-foot convention center and a new front entrance and lobby for the main casino. It comes at a time of transition for parent company Harrah's Entertainment, which is expected to go private as part of a wave of private equity takeovers of major companies.

The \$17.1 billion buyout has raised questions about how the world's largest casino company will be run.

And now we're getting a big clue.

The new tower, which is expected to be completed by the first quarter of 2009, signals that Harrah's new private owners will forge ahead with strategic projects even as Harrah's has trimmed its corporate staff.

The fact that Harrah's is targeting Caesars before tackling expansions at its other Las Vegas casinos speaks to the importance of its flagship resort, which has created a legacy of old yet new, kitsch yet elegant, venerable yet hip.

Historically, hotel additions have been smart investments for casinos because they're cheaper than building entire resorts and, as luxury offerings, can command higher room rates. But the company, especially as it goes private, may not be concerned with mere short-term profit.

During the next few years, Harrah's plans to open Caesars resorts in the Bahamas, Slovenia and Spain as part of an aggressive plan to expand that brand worldwide. Upgrading its flagship to a higher standard isn't only a Strip requirement, but may also be a global imperative.



Caesars Palace plans another expansion Scripps Howard News Service July 20, 2007, Friday 3:34 PM EST

Tinkering with a 40-year-old brand is a tricky task. Although Caesars has lost some cachet to rivals Wynn Las Vegas, Venetian, Bellagio and MGM Grand, it remains the oldest and most recognizable luxury property in Las Vegas.

The task of expanding the property falls to Greg Miller, Harrah's vice president of property development and a veteran in cultivating entertainment brands.

"You really only have one chance to get it right with customers," he said. "We need to make sure we really nail the details."

In Caesars, the new owners can claim the Strip's first heavily themed resort, a place that made its name with roaming centurions, prize fights, high rollers and A-list headliners. Its various owners also have preferred to build additions rather than implode and start over, as has occurred up and down the Strip.

That strategy has resulted in a topsy-turvy collection of labyrinthine buildings, including multiple hotel towers with their own names and reputations, some several decades old.

Although no longer the biggest high roller joint, Caesars hopes to maintain its ranking among top-drawer hotels while about \$30 billion in resort development comes to the Strip in the coming years.

Rooms in the new Octavius Tower, named for Julius Caesar's nephew, will start at 600 square feet and include 71 suites, topping out with villas of more than 10,000 square feet with terraces, poolside access and private entrances from Flamingo Road a stone's throw from Interstate 15.

The new rooms will include flat-panel TVs, bedside iPod docking stations, layered coverlets and sheets rather than duvets, televisions above bathroom sinks and digital "do not disturb" signs.

The central lobby spilling into the original, circular casino pit will be remodeled in a grander style, and the old casino ceiling -- one of the last recognizable relics in the property -- will be raised by at least 10 feet. There will be plenty of Greco-Roman touches in these additions, Miller said.

"There's an essence here. The history of Caesars is something to build upon, not to reinvent from scratch," Miller said.

Caesars Palace recorded its best year in 2006, with operating profit rising more than 50 percent.

Credit for that, analysts say, goes in part to the days before Harrah's purchased Caesars Entertainment in 2005, with the opening of two celebrity-chef restaurants, the deluxe Colosseum Theater hosting Celine Dion, and Pure, which at the time was the most expensive nightclub in town.

Under Harrah's, Caesars has continued to morph, with a leopard print gambling pit with lingerie-wearing dealers based on Caesars' Pussycat Dolls show, and the opening of Rao's, an outpost of the famed Harlem eatery.

"The updates they've done to date have very much kept it in the loop as premier place," said Anthony Curtis, publisher of the Las Vegas Advisor newsletter. "Caesars is not in any way considered outmoded. And it's as good a gambling brand as it gets."

The changes have helped address some fears that Harrah's -- known for middle-of-the-road gambling halls across the country catering to the retired, fanny-pack crowd -- would cheapen the higher-end Caesars brand.

With the addition, Caesars will have 4,013 rooms.

"There are more people who want to stay at Caesars than we have rooms," Miller said.

Caesars Palace plans another expansion Scripps Howard News Service July 20, 2007, Friday 3:34 PM EST

What happens next for the company, at least in Las Vegas, is unclear.

The expansion is a first step in what Harrah's hopes will become a master-plan upgrade encompassing the multiple casinos it owns across from Caesars Palace, east of the Strip.

Miller says Harrah's is studying its options.

For now, all eyes are on Caesars.

(Distributed by Scripps Howard News Service, [www.shns.com](http://www.shns.com).)

**LOAD-DATE:** July 21, 2007



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St. Petersburg Times (Florida)

July 20, 2007 Friday  
0 South Pinellas Edition

**SECTION:** BUSINESS; Pg. 3D

**LENGTH:** 560 words

**HEADLINE:** CAESARS PALACE WILL BE GETTING \$1B EXPANSION

**BODY:**

Talk about stepping up to the table. Gambling giant Harrah's Entertainment Inc. announced a \$1-billion expansion Thursday for its flagship Caesars Palace hotel-casino in a bid to compete with a wave of new megaresorts planned for the Las Vegas Strip. The company plans to build a 665-room tower called Octavius, three pool villas for high rollers, add 263,000 square feet of convention space and upgrade 512 of its oldest rooms. The expansion, which adds a sixth tower, will bring the room count to 4,013 by early 2009.

After 5-million cars, no one's laughing

Quantity and quality. Hyundai Motor Co., once ridiculed in the United States for perceived shoddiness, said Thursday it had reached a milestone with cumulative U.S. sales exceeding 5-million vehicles. In the more than two decades since entering the American market, South Korea's biggest automaker has worked hard to overcome its early poor image, with recent sales growth led by the Sonata sedan and Santa Fe sport utility vehicle. It's now the world's sixth-largest automaker. Hyundai began its U.S. sales campaign with the Excel compact in 1986.

Chiquita facing terrorism lawsuit

Relatives of people said to be murdered by paramilitary groups in Colombia sued Chiquita Brands International Inc. on Thursday, accusing the banana company of funding terrorists. The lawsuit, filed in U.S. District Court in Trenton, N.J., came four months after the Cincinnati-based Chiquita admitted it paid \$1.7-million in protection money over six years to protect its most profitable banana-growing operation. The lawsuit, filed in New Jersey, was brought on behalf of at least six alleged victims by EarthRights International, a human rights group, and seeks unspecified monetary damages for the families. The company awaits sentencing on guilty plea to one count of doing business with a terrorist organization. Its deal with prosecutors calls for a \$25-million fine.

Bumble Bee recall extends to Florida

Be careful what you eat. Bumble Bee Foods LLC's Castleberry's Food unit recalled canned meat products that may be contaminated by botulism, the U.S. Department of Agriculture said. The recalled products were produced by

CAESARS PALACE WILL BE GETTING \$1B EXPANSION St. Petersburg Times (Florida) July 20, 2007 Friday

Augusta, Ga.-based Castleberry between April 30 and May 22 and include cans of corned beef hash, chili and pork in barbecue sauce, the USDA said Thursday. The products were distributed in the United States, including Florida. Botulism is a rare but serious illness caused by a nerve toxin.

**Widow with ties to Pooh, Tampa dies**

Shirley Slesinger Laswell, former Tampa resident and widow of the literary agent who helped popularize Winnie the Pooh in the United States and Canada - and who engaged in a long legal battle against the Walt Disney Co. over royalties - died on Thursday in Beverly Hills, Calif., after a long illness. She was 84. Her first husband, publicist and illustrator Stephen Slesinger, bought the U.S. and Canadian rights to Winnie the Pooh, written by British author A.A. Milne, in the early 1930s. A trial judge dismissed the case in 2004 but an appellate court is reconsidering it.

**OVERHEARD**

"We made the decision to recall out of an abundance of caution."

Wayne Charness, a spokesman for Hasbro Inc., on the toymaker's recall of about 1-million Easy-Bake Ovens after receiving reports of serious burns and 278 incidents of children getting hands or fingers caught in openings

**GRAPHIC: PHOTO: Easy-Bake Oven**

**LOAD-DATE: July 20, 2007**



## Growth mania grips Atlantic City casinos

Posted 7/20/2007 3:53 PM

By Wayne Parry, Associated Press Writer



by Jae C. Hong, AP

The Caesars Palace hotel-casino is shown in Las Vegas, Thursday, July 19, 2007. Harrah's Entertainment Inc. said Thursday it will spend \$1 billion to expand its Caesars Palace casino resort in Las Vegas, including building a new 665-room hotel tower called the Octavius. (AP Photo/Jae C. Hong)

ATLANTIC CITY, N.J. — The city's gambling halls are betting \$10 billion on a plan to separate visitors from more of their money by remaking this seedy seaside resort into a hipper, hotter destination with top entertainers, glitzy rooms and swank restaurants run by famous chefs.

Atlantic City's 11 casinos are in a frenzy of expansion and construction to compete with Las Vegas and to fight off unexpectedly strong competition from slots parlors in neighboring states.

Almost every casino here is spending millions of dollars to either expand or renovate, or has just finished doing so.

The building boom here is adding thousands of new hotel rooms as casino owners aim to remake the resort as a national destination instead of a

place for bus-riding day trippers to linger for a few hours before hitting the buffet and going home.

One of the most conspicuous projects is the second tower of the Borgata Hotel Casino & Spa. Dubbed The Water Club, the \$400 million addition will include 800 new guest rooms, a two-story "spa in the sky," five swimming pools and other luxury amenities.

Borgata executives held a "topping off" ceremony Friday for the upper reaches of the 457-foot-tall tower, which will be one of the tallest buildings in Atlantic City when it is completed early next year.

"What we've seen since 2003 when we opened is that it's not merely gaming-centric any more," said Joseph Corbo, the Borgata's general counsel and president of the Casino Association of New Jersey. "It's the amenities everyone offers -- the restaurants, the spas, the nightlife, the entertainment. Just this weekend alone, we have Billy Joel at the Borgata, and Josh Groban at Boardwalk Hall.

"In the competitive environment we're in, we need to differentiate ourselves from those around us," Corbo said of the Atlantic City casinos. All told, the Borgata's owners, Boyd Gaming and MGM Mirage, have invested \$1.7 billion here in just four years.

"It wasn't six months after we opened that we started planning a major expansion," Corbo said.

The spending spree comes amid what seems destined to be the first year that revenues will decline in Atlantic City since casino gambling began in 1978. Much of the decline is being blamed on

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competition from newly opened slots parlors in Pennsylvania, New York and Delaware.

Atlantic City and Las Vegas are close when it comes to the amount of money they take in from gambling. Last year, Atlantic City netted \$5.2 billion, while Las Vegas took in \$6.5 billion.

But at \$5 billion a year, Las Vegas does 10 times the non-gambling business Atlantic City does. That's something Atlantic City is trying to fix with Vegas-type amenities: high-end shopping at The Pier at Caesars and The Walk, lavish indoor swimming pools like the one Harrah's opened this summer, and signature restaurants by famous chefs such as Bobby Flay, Michael Mina and Wolfgang Puck at the Borgata.

Robert Corrales, a spokesman for the Casino Reinvestment Development Authority, said casino companies plan \$10 billion worth of new investments in Atlantic City over the next five to 10 years.

Harrah's Atlantic City is spending \$550 million to add, among other things, a new 941-room hotel tower next February that will be even taller than The Water Club. Projects either done or nearly finished at the three other casinos owned by Harrah's Entertainment Inc. -- Bally's Atlantic City, the Showboat Casino-Hotel, and Caesars Atlantic City -- total \$245 million.

Donald Trump's three casinos have spent \$225 million over the past two years renovating all 2,900 of their rooms. And his company, Trump Entertainment Resorts, has a \$250 million project that will add a second tower and nearly 800 more rooms to the Trump Taj Mahal Casino Resort next year.

The Tropicana Casino Resort just spent \$15 million renovating 507 rooms in its South Tower, and recently opened the Providence night club.

The Atlantic City Hilton Casino Resort, the city's smallest casino at 806 rooms, announced plans for a \$1 billion expansion designed to help it compete with the big boys that dominate the Atlantic City market.

Work also is about to get under way on a \$2 billion casino on the Boardwalk by the Morgan Stanley investment firm to be operated by Revel Entertainment on land next to the Showboat.

And the former Sands Casino Hotel will be demolished this fall to make way for a new 2,000-room casino-hotel to be run by Pinnacle Entertainment, with a price tag also in the \$1.5 billion to \$2 billion range.

Pinnacle may include a separately run "ultra-luxury hotel" on the Boardwalk, too, the company said.

Nightclubs are shaping up as the next turf battle here, with the Tropicana's Providence joining Borgata's mur.mur and the Taj Mahal's Casbah as hot spots. Aimed at a slightly older clientele, the Hilton just opened its own club, 10Til, for customers who find the other clubs too crowded and noisy.

Bill Boyd, president of Boyd Gaming, said the Borgata started a trend that the entire city is following.

"When we first began in this market, Atlantic City was viewed as a one-dimensional, gaming-only destination," he said. "Today Atlantic City is viewed widely as an entertainment destination with a wider variety than ever in its history."

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SNL Real Estate Weekly

July 23, 2007

**LENGTH:** 438 words

**HEADLINE:** Harrah's to renovate, expand Caesars Las Vegas for \$1 billion

**BYLINE:** John Yellig

**HIGHLIGHT:**

Harrah's Entertainment will plow \$1 billion into Caesars Las Vegas in a massive renovation and expansion campaign.

**BODY:**

Augustus is getting a new brother.

The 23-story, 665-room Octavius Tower will go up beside the Augustus Tower, which Harrah's Entertainment Inc. opened in 2005 at Caesars Palace Las Vegas.

The \$375 million tower is part of \$1 billion in additions and renovations Harrah's will make to the property.

The tower will include 594 guest rooms, 68 suites and three pool villa suites.

When it opens in the first quarter of 2009, the Octavius will bring Caesars Palace's room offering to 4,013 from 3,348.

Wachovia Capital Markets senior analyst Brian McGill said he sees the Harrah's announcement as a "negative catalyst" for existing operators such as MGM Mirage, Las Vegas Sands Corp. and Wynn Resorts Ltd. given all of the new developments set to come online in coming years. The analyst estimated that between now and the end of 2011, the Las Vegas Strip will see an additional 28,000 rooms, 11,000 slot machines and 950 table games.

"As the number of projects in and around the Las Vegas Strip continue to multiply, we believe someone has to lose and the 'older' properties are more than likely the ones," the analyst said in a July 19 research note.

David Schwartz, director of the Center for Gaming Research at the University of Nevada, Las Vegas, was less bearish, arguing that people have had those same worries for 50 years.

Las Vegas' 130,000 or so hotel rooms for a population of approximately 2 million people may sound like a lot,

Harrah's to renovate, expand Caesars Las Vegas for \$1 billion SNL Real Estate Weekly July 23, 2007

Schwartz said, but with 40 million visitors a year, the city is able to keep its occupancy rate above 90%.

But with the new rooms, could the occupancy rate drop?

"It's conceivable, but if you use the last 10 years as a yardstick, it's probably not going to happen," Schwartz said.

Besides the Octavius, Harrah's will build a new 263,000-square-foot ballroom and convention center featuring 110,000 square feet of flexible meeting, ballroom and exhibit space and two new swimming pools.

The existing Forum Tower will undergo an \$83 million renovation that is scheduled to wrap up in January 2008. In-bedroom whirlpool bathtubs will be removed to provide more room. The Forum's 512 rooms will receive the same treatment as rooms in the Octavius, which will have new bedding, flat-screen televisions, alarm clocks with iPod docking stations and electronic doorbells. Unique to the Forum will be "giant, marble, surround showers" capable of accommodating two people.

The front entrance to Caesars Palace will be expanded, and new restaurants and entertainment venues will be introduced.

Three new swimming pools, scheduled to open in the second quarter of 2009, will replace the Apollo pool and outdoor spas.

**LOAD-DATE:** February 1, 2010





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Business Dateline  
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Las Vegas Business Press

July 30, 2007

**SECTION:** Pg. P7 Vol. 24 No. 31 ISSN: 1071-2186

**ACC-NO:** 1324391031

**LENGTH:** 205 words

**HEADLINE:** Harrah's announces \$1 billion Caesars expansion

**BYLINE:** Knightly, Arnold M

**BODY:**

Harrah's Entertainment unveiled plans for \$1 billion worth of new construction and renovation work at the company's Caesars Palace property.

The project will add a sixth tower, the Octavius Tower, and a new convention center to the Strip's first high-end themed megaresort.

The announcement also alleviated concerns that Harrah's, which is in the process of being bought by private equity firms Texas Pacific Group and Apollo Management for \$17.1 billion, would not fund any new projects.

"I think this project demonstrates there is a lot of misunderstandings about (leveraged buyouts) and private equity deals," Harrah's CEO Gary Loveman said. "The deal is not about stopping growth or stopping activity. As this project demonstrates, we are going to continue to build the company and grow."

The plans call for a new 23-story tower with 665 rooms and 71 suites that will be completed in early 2009 at a cost of \$375 million. The Forum Tower also will be refurbished at a cost of \$83 million, and a new two-level, 263,000-square-foot convention center is scheduled for completion in early 2009. Other parts of the plan call for new swimming pools, a larger race and sports book, new restaurants and clubs and an expanded front entrance.

**LOAD-DATE:** August 24, 2007



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BUILDING DESIGN &  
CONSTRUCTION  
Building Design and Construction

August 1, 2007

**SECTION:** DEPARTMENTS; Pg. 9

**LENGTH:** 342 words

**HEADLINE:** News Briefs

**BYLINE:** Staff

**BODY:**

**\*10,000th company joins USGBC.** Earlier this month, FABMAC Homes of Hawaii became the 10,000th corporate member of the U.S. Green Building Council, the nonprofit organization that promulgates the LEED sustainability rating tool. As member companies, The Home Depot Inc., Johnson & Johnson, Starbucks Corp., and the 9,997 other firms may serve on committees that shape LEED and other USGBC programs.

**\*Architecture Billings Index jumps to highest level of the year.** Following an almost three-point spike in May, the Architecture Billings Index zoomed up more than four points in June, reaching its highest mark of the year. As a leading economic indicator of construction activity, the ABI shows an approximate 9-12 month lag time between architecture billings and construction spending. The American Institute of Architects reported the June ABI rating was 59.3 (any score above 50 indicates an increase in billings). The index of inquiries for new projects was 62.6.

**\*Gehry to the rescue! Will aid revamp of Chicago's Inland Steel Building.** Pritzker Architecture Prize winner Frank Gehry will consult on refurbishing the historic Inland Steel Building for a new owner. Capital Properties LP will buy the 1957 modernist building in Chicago for about \$58 million, said Richard Cohen, a principal in the New York-based investment and development firm. The seller, a group that includes broker Harvey Camins, purchased the 19-story building for \$44.5 million in 2005. Gehry, who helped arrange that purchase, was unhappy with that group's management of the property, the first downtown office designed by Skidmore, Owings & Merrill.

**\*Caesar's gets an even bigger palace.** Harrah's Entertainment is planning a \$1 billion expansion of its Caesar's Palace Hotel/Casino in Las Vegas. The centerpiece of the expansion is a new 665-room hotel called the Octavius Tower, which will be located adjacent to a new 263,000-square foot meeting and convention center. The facility will also get three new pools. Expected completion: early 2009.

For more: [www.BDCnetwork.com](http://www.BDCnetwork.com).

**LOAD-DATE:** August 17, 2007



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The Press Enterprise (Riverside, CA.)

August 3, 2007, Friday

**SECTION:** THE GUIDE; Pg. AA32

**LENGTH:** 379 words

**HEADLINE:** CAESARS TO EXPAND;  
A New Tower, With 665 Rooms, Is Coming To The Hotel

**BYLINE:** BRUCE CAMENGA, SPECIAL TO THE PRESS-ENTERPRISE

**BODY:**

Another tower is planned for Caesars Palace. The Octavius Tower will have 665 rooms in its 23-story configuration when it opens in 2009.

There will be 594 standard rooms (with a minimum of 600 square feet), 19 one-and-a-half-room suites, 41 two- or three-room suites, eight four- to six-room suites, and three pool villa suites. The villa suites will be on the second floor and each will be more than 10,000 square feet.

When the new tower opens, Caesars will have more than 4,000 rooms.

Harrah's Entertainment, the owner of Caesars Palace, has also announced that the existing Forum Tower and its 512 rooms will be undergoing a renovation. Included in the renovation will be the entrance, the casino floor, the buffet, and the sports- and race-book locations.

**FOOTBALL IS COMING**

Football forecasting contests are starting as the new season approaches. The largest contest announced to date is at Cannery and Rampart casinos in Las Vegas. The casinos are guaranteeing a \$120,000 prize pool. All you have to do is be one of the best in forecasting game outcomes throughout the season and you're in the money.

Each entry is \$25, with a maximum of three per person. Entries can be picked up at the sports-book locations at any of the casinos, between 9 a.m. and 9 p.m. daily.

**PICK THE PONIES**

If you are better at picking ponies than football teams, head over to the Las Vegas Hilton's sports-book location for Superbook Saturdays throughout August. Registration for Saturday races opens at 10 a.m. on Fridays. There is no

CAESARS TO EXPAND; A New Tower, With 665 Rooms, Is Coming To The Hotel The Press Enterprise (Riverside, CA.) August 3, 2007, Friday

contest on Aug. 18. Del Mar and Saratoga tracks are included.

#### ARENA REPORT

According to the Venues Today publication of the Las Vegas Tribune, the Thomas & Mack Arena was second only to New York's Madison Square Gardens for ticket-sales volume between November 2006 and May 2007.

Between boxing matches, basketball, the National Finals Rodeo and other sports events, the arena had \$27.18 million in sales in that time period.

#### SAVE THE ART

The multistory depiction of Toni Braxton on the front of the Flamingo will be preserved a bit longer.

The Flamingo has announced that the Grammy award-winning vocalist will extend her stay at the casino until Feb. 16.

#### ANOTHER NAME CHANGE

You won't be able to locate the Ramada Express at Laughlin anymore.

It is now the Tropicana Express.

**LOAD-DATE:** August 6, 2007



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Casino Journal

September 1, 2007

**SECTION:** Pg. 7(1) Vol. 20 No. 9 ISSN: 1087-2736

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**LENGTH:** 258 words

**HEADLINE:** Growing empire: Harrah's announces \$1 billion Caesars expansion;  
Roundup;  
Brief article

**BYLINE:** Holtmann, Andy

**BODY:**

Las Vegas-based Harrah's Entertainment has announced plans for a \$1 billion renovation and expansion of its Caesars Palace resort-casino on the Las Vegas Strip.

The project will become the most expensive renovation and expansion project to date on the Strip, and will ultimately bring the number of rooms at the property to 4,013. Plans call for the property's sixth tower--the 23-story Octavius Tower--with 665 rooms and 71 suites, including three 10,000-square-foot pool villas. That tower will cost \$375 million and is expected to be completed by early-2009. The property's existing Forum Tower will also see an \$83 million renovation.

Also on tap as part of the project is a new 263,000-square-foot convention center, new swimming pools, a significantly enhanced and more spacious race and sports book, new restaurants, new nightclubs and a new, larger front entrance to the resort.

"I think this project demonstrates there is a lot of misunderstandings about [leveraged buyouts] and private equity deals," Harrah's CEO Gary Loveman said. "The deal is not about stopping growth or stopping activity. As this project demonstrates, we are going to continue to build the company and grow."

The Caesars project, along with Harrah's announcement that it will build a \$700 million Margaritaville resort-casino with rock star Jimmy Buffett in Biloxi, Miss. have put to rest many concerns that Harrah's would terminate or significantly scale down new projects in the wake of its \$17.1 billion private equity buyout by Texas Pacific Group and Apollo Management.

Growing empire: Harrah's announces \$1 billion Caesars expansion; Roundup; Brief article Casino Journal September 1, 2007

**LOAD-DATE:** August 22, 2007

**Fox5Vegas.com**

**Caesars Palace Tops Off Octavius Tower**

**\$1B Expansion To Open Summer 2009**

POSTED: 11:41 am PDT October 21, 2008

UPDATED: 12:02 pm PDT October 21, 2008

**LAS VEGAS** -- Caesars Palace celebrated the topping off of its sixth tower, the Octavius, on Tuesday.

Octavius marks the highest point of the \$1 billion expansion to the casino, which is set to open in the summer of 2009. It will also expand the Garden of The Gods pool complex, as well as the convention center.

Located along Flamingo Road on the southeast corner of the hotel-casino, the new 23-story, 665-room tower will include 594 hotel guest rooms and 71 suites.

For more information about the hotel, visit the Caesars Palace Web site.

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### Caesars Palace Tops Off New Octavius Tower

LAS VEGAS - OCTOBER 21: Caesars Palace holds a news conference celebrating the topping off of the 23-story, 665-room Octavius Tower at Caesars October 21, 2008 in Las Vegas, Nevada. The high-rise tower is part of a USD 1 billion expansion of the resort scheduled to be completed in the summer of 2009.

Photo: Isaac Brekken  
Oct 21, 2008

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Posted: 12:20 PM Oct 21, 2008

## Caesars Palace Tops Off Sixth Tower on Vegas Strip

Casino company Harrah's Entertainment Inc. is topping off a 23-story tower at Caesars Palace as part of a \$1 billion expansion of its flagship Las Vegas resort.

Reporter: Oskar Garcia AP



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LAS VEGAS (AP) - Casino company Harrah's Entertainment Inc. is topping off a 23-story tower at Caesars Palace as part of a \$1 billion expansion of its flagship Las Vegas resort.

The 665-room Octavius Tower is the sixth at Caesars on Las Vegas Strip.

It's part of an expansion the company hopes will help it compete with planned neighboring new luxury resorts.

Caesars Palace President Gary Selesner said at a topping-off ceremony Tuesday that plans for the expansion haven't changed, despite tough economic conditions.

Selesner says the new tower will let Caesars raise room rates throughout the property, which will now have more than 4,000 rooms.

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<http://www.kolotv.com/southernnevadanews/headlines/31793389.html>

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October 21, 2008 Tuesday 9:31 PM GMT

**SECTION:** BUSINESS NEWS

**LENGTH:** 378 words

**HEADLINE:** Caesars Palace tops off sixth tower on Vegas Strip

**BYLINE:** By OSKAR GARCIA, Associated Press Writer

**DATELINE:** LAS VEGAS

**BODY:**

Casino company Harrah's Entertainment Inc. topped off a 23-story tower at Caesars Palace on Tuesday as part of a \$1 billion expansion at its flagship Las Vegas Strip resort.

The 665-room Octavius Tower is the sixth at Caesars and is part of an expansion the company hopes will help the hotel-casino compete with planned neighboring luxury resorts.

Gary Selesner, president of Caesars Palace, said expansion plans haven't changed, despite difficult economic conditions.

"This is all about the future," Selesner said. "We're building our capacity for the turnaround that will come, whether it's one, two or three years down the road."

Average Las Vegas hotel room rates for August were \$107 per night, down 15.3 percent from August 2007. Occupancy was down, too, with 88.3 percent of rooms filled in August, down 2.9 percent compared with August 2007.

At the same time, some competitors are adding capacity on the Strip even as other projects are delayed or canceled. The largest being built is CityCenter, a six-tower complex being developed by MGM Mirage Inc. in partnership with Dubai World that calls for 4,800 hotel rooms and 2,650 condo-hotel units.

The privately held Harrah's reported losses of \$285.4 million for the first six months of 2008, compared with profits of \$422.8 million in the first half of 2007.

Harrah's chief executive Gary Loveman addressed the company's plans amid current economic conditions at a private town hall-style meeting at Caesars last week, which a spokesman described as one in a series of regular meetings the company holds quarterly with employees in different cities.

Caesars Palace tops off sixth tower on Vegas Strip The Associated Press State & Local Wire October 21, 2008 Tuesday  
9:31 PM GMT

"Mr. Loveman stated in that meeting that while we would be watching our capital as a company, the expansion of the flagship property, Caesars Palace, would go forward," Selesner said. "(Caesars General Manager John Unwin) and I are dealing with the same game plan that we started with, finishing this tower and this convention center at the highest standards in this city."

The rest of the expansion calls for an extra 250,000 square feet of convention space and new pools with a waterfall, pool-side gambling and dining.

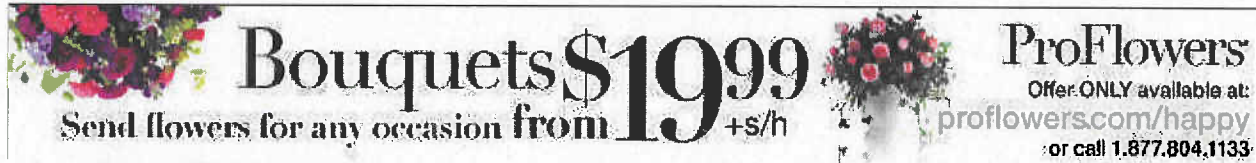
Harrah's, the world's largest gambling company by revenue, owns or manages 50 casinos.

On the Net:

Harrah's Entertainment, Inc.: <http://www.harrahs.com>

**LOAD-DATE:** October 22, 2008

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## Caesars Palace tops off 6th tower on Vegas Strip

665-room Octavius Tower completes \$1 billion expansion at flagship resort

**AP** Associated Press

updated 10/22/2008 12:14:36 PM ET

**LAS VEGAS**— Casino company Harrah's Entertainment Inc. topped off a 23-story tower at Caesars Palace on Tuesday as part of a \$1 billion expansion at its flagship Las Vegas Strip resort.

The 665-room Octavius Tower is the sixth at Caesars and is part of an expansion the company hopes will help the hotel-casino compete with planned neighboring luxury resorts.

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Harrah's, the world's largest gambling company by revenue, owns or manages 50 casinos.

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Posted on: October 27, 2008

## **Caesars tops off new \$1 billion Octavius Tower**

Things are looking up for one of the most venerable names in gaming. Last week, Caesars Palace topped off the \$1 billion, 665-room Octavius Tower, which is slated to open next summer.

The 665-room tower will give Caesars more than 4,000 hotel rooms overall, and 300,000 square feet of convention space.

Analysts say the high-end product will help Caesars' bid to steal market share in the luxury gaming segment from MGM Mirage, which operates the Bellagio; Las Vegas Sands Corp, owner of the Venetian and Palazzo; and casino mogul Steve Wynn, of Wynn Las Vegas and Encore.

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