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# Behind an Army of Lobbyists, an Instant Force in Gambling

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In the summer of 2009, a Malaysian billionaire took an unexpected interest in a small town in the Catskill Mountains in New York. With little notice, he bought a stake in a racetrack casino where the owners had struggled for more than a decade to develop a gambling complex.

Genting won a license to open the first gambling hall in New York City with a \$380 million offer and poured an additional \$450 million into erecting it at the Aqueduct racetrack in Queens.

It was the first move in a brash attempt by KT Lim, chairman of one of the world's largest gambling conglomerates, to muscle his way into the potentially lucrative American market. But Mr. Lim's company, Genting Berhad, did not go it alone.

First, Genting hired a lobbyist named John L. Cordo, who was once on the staff of the Republican majority in the New York Senate. Then, with the company rapidly expanding, it amassed a who's who of influential lobbyists.

Now, as Genting pursues multibillion-dollar projects in New York City at Aqueduct Racetrack and in Miami, its lobbying offers a primer on how a well-heeled newcomer can make up for its lack of experience and connections in the United States.

Because casino gambling is highly regulated, the industry has long drawn swarms of lobbyists promising to help navigate state capitols. Casino gambling is banned in New York, with the exception of casinos on Indian land and electronic slot machines at nine racetracks. Gov. Andrew M. Cuomo [has proposed legalizing the industry](#), though such a move would require action by the Legislature and a referendum.

Genting's lobbyists in New York, according to state lobbying records, include Patricia Lynch, a former top aide to the Democratic Assembly speaker, Sheldon Silver, and Nicholas A. Spano, a former Republican state senator.

The company has also hired Jennifer Cunningham, a close friend of Mr. Cuomo's, to do public relations work and Bradley Tusk, who was Mayor Michael R. Bloomberg's campaign manager in 2009, to assist with planning.

Genting even created an advocacy group called the New York Gaming Association, which is led by another prominent lobbyist, James Featherstonhaugh.

Much of Genting's spending on advocacy does not have to be disclosed under New York law, but the company did report that it paid Mr. Cordo \$195,000 in the first half of 2011. Genting's spending is believed to have increased sharply in recent months.

Christian Goode, a senior Genting executive on the New York and Miami projects, said in an interview that Genting had hired so many lobbyists in those locations because it wanted to participate in the political process "like any other company."

Mr. Goode declined to discuss the lobbyists' specific roles. "We are a large multinational company with lots of exposure," he said. "Things come up from time to time. We just want to make sure we're properly represented."

Stefan Friedman of SKD Knickerbocker, Ms. Cunningham's consulting firm, said: "We have a proactive agenda that includes building a \$4 billion convention center and legalizing table gaming in New York, both of which will create tens of thousands of jobs and generate billions of dollars in economic revenue. We think those issues are important, and we know nothing comes without a lot of hard work."

Genting's lobbying reflects its sizable ambitions and spending in New York. When a subsidiary won the license to open [the first gambling hall in New York City](#), at the Aqueduct racetrack, with an offer of \$380 million, it far outbid its rivals. It has since poured an additional \$450 million into erecting the casino, [which opened in October](#).

Until Genting took over, the state's 10-year effort to find a casino operator for Aqueduct had been hobbled by delays, missteps and political scandals. In 2010, the state inspector general determined that State Senate leaders had manipulated the process to give the contract in an earlier round of bidding to a company that had donated to Democratic candidates. Genting was not involved in that earlier bidding.

Because of that scandal, lobbyists in New York say they are advising gambling companies to avoid giving sizable campaign contributions to Albany politicians. Genting did not give large ones in the first half of 2011; filings for the second half are due next week.

Last week, Mr. Cuomo made Genting's plans for a \$4 billion expansion at Aqueduct a central element of his economic development strategy. The expansion [would include the country's largest convention center](#), three hotels with a total of 3,000 rooms, an entertainment center and room for additional electronic slot machines and table games.

Genting is following a similar approach in Florida as part of its strategy to conquer the American market.

The company popped up in Miami last May, announcing it would build [the largest casino in the world](#) on Biscayne Bay with 5,200 hotel rooms, a convention center, 50 restaurants, luxury shops and a rooftop lagoon.

The planned casino is [not even legal yet](#), but Genting has spent more than \$400 million on land, joined local civic associations, contributed \$628,320 to Republicans and Democrats and hired two dozen lobbyists and public relations firms.

On Monday, a State Senate panel approved a bill that would allow for three megacasino resorts in southern Florida.

“Being a relatively unknown Asian company has not been an impediment for Genting in New York or Florida,” said Grant Govertsen, a principal of the Union Gaming Group, a research firm. “More than anything else these days, money talks.”

Gambling critics said Genting’s ability to spend so lavishly on lobbying suggested how much the company stood to gain.

“They intend to soak so much money out of our community that spending millions on local and state government isn’t much more than a rounding error,” said Dan Gelber, a former federal prosecutor in Miami and the chairman of the No Casinos group in South Florida.

Genting boasts it has \$5 billion in cash, at a time when most developers are unable to obtain financing for major projects. The family of Mr. Lim, the Genting chairman, has provided financing for Indian casinos in New York and Connecticut.

But in 2009, the family’s real estate firm bought a stake in Monticello Raceway in the Catskills, 90 miles from Manhattan, seeking to build a Las Vegas-style casino for the St. Regis Mohawks. That effort ended with recriminations among the partners, although the Lims still own the electronic slot parlor there.

At Aqueduct, there have been no such missteps. Genting is promoting a plan to add hotels and a convention center that would capitalize on the site’s proximity to two international airports and the ability to draw conventions that are too large for the Jacob K. Javits Convention Center in Manhattan.

But the lavish spending does not assure success in New York or Miami.

Across New York, there are now nine racetracks, including Aqueduct, where operators have installed electronic slot machines, and five Indian casinos, all outside New York City. Mr. Cuomo’s proposal to legalize casino gambling would allow for poker, blackjack and other table games, as well as slot machines.

Mr. Goode, the Genting executive, said the company wanted the state to grant it exclusive gambling rights, regardless of whether live table games are approved, although he would not say whether he meant within New York City or in the region.

Genting also wants a substantially lower “tax rate” on gambling revenues for any additional machines at Aqueduct, he said.

Both of those proposals would require approval by the New York Legislature. Other gambling companies will surely resist the proposals and hire their own lobbyists to help fight them.