

<http://www.thechipboard.com/index.cgi/page/1/md/read/id/1215208/sbj/legal-of-the-day-las-vegas/>

This research was the result of research done on "Illegal Of The Day Texas 16" posted earlier today. IMO, it will rewrite the history that most of us have always accepted as fact on some Binion's Horseshoe Las Vegas chips. The H mold chips with B-----n's have always thought to have been scratched off by Joe W. Brown in 1953 when Benny Binion went to prison. I believe our books need a rewrite on them.

I am ready to say they were the opening rack in 1951 and scratched off by , Dr. Monte Bernstein. The scratched off chips are in denominations of \$100, \$25, \$10, 2 different \$5's, a \$1 and 3 different 25c. I am told a few \$5 exist un-scratched.

Binion's / B-----n's

In early May 1951 Benny Binion purchased the controlling interest (87.5%) in the Eldorado Corporation, which owned the lease on a piece of property on Fremont Street where the corporation had operated the Eldorado Club. The Eldorado was no longer in business and was in debt. Binion paid off the debt and began pouring several hundred thousand dollars into the remodeling of the property which would become the Horseshoe Club.

Binion also began the process of obtaining a gaming license for the new club from the Nevada State Tax Commission, submitting an application at the commission's May meeting in the name of the corporation of which he was listed as president and Nick "the Greek" Dandolo as vice-president (Dandolo had a small piece of every Vegas casino Binion was involved with: Las Vegas Club, Westerner and Horseshoe). The application was rejected.

At the June meeting of the Tax Commission, Dr. Monte Bernstein, the man from whom Binion had purchased the controlling interest in the Eldorado and who had held the Eldorado's gaming license, applied for the Horseshoe's license without Binion's name on the application. The Commission took no action on the application and it was "deferred for further study."

At the Commission's next meeting in July 1951 Binion was prepared to submit an application for a probationary gaming license, but before he could submit it he was informed that the Commission would not grant him a gaming license for the Horseshoe. Apparently the commission felt that Binion's reputation had deteriorated some in the year after they had approved his gaming license for the Westerner in April 1950. Binion was a fugitive from justice from the State of Texas and his name was continually brought-up in association with the murder attempts on rival Dallas gambler Herbert Noble. It was thought that giving Binion a gaming license might reflect badly upon Nevada (Kefauver had just wrapped up earlier in the year).

My note: As stated in other "Illegal Of The Day" posts, Herbert "The Cat" Noble outlived the normal 9 lives, but eventually his fate was sealed on the 12th try.

However, at the same meeting of the Tax Commission, after being personally assured by Dr. Monte Bernstein that Binion would be excluded from all gambling operations at the Horseshoe Club, the Commission approved Bernstein's application for a gambling license.

Bernstein then had to apply for another gambling license, this time from the Las Vegas City Commissioners. The Commissioners, initially reluctant to give Bernstein a license because they felt he had botched the operation of the El Dorado Club so badly, granted Bernstein the Horseshoe's gaming license on August 8th 1951 (the day before on a ranch outside of Dallas, Herbert Noble met his maker).

The Commissioners granted Binion licenses to operate the Horseshoe's bar and restaurant (the Las Vegas City Commissioners felt that the State of Nevada Tax Commission should have given Binion the Horseshoe's gambling license).

On Tuesday August 14th 1951 at 11 A.M. the Horseshoe Club would hold its grand opening. On the day before the opening, August 13th, Bernstein was at the Horseshoe helping to prepare the gambling room for its big opening the following morning when he found himself in a major bind. After having given his personal assurances to the Nevada Tax Commission--which included the Governor--that Benny Binion would have absolutely nothing to do with the gambling at the club, Bernstein was stunned when the chips arrived and Binion's name was inscribed in gold on all of them (ooooops!!).

Too late to get replacement chips, Bernstein grabbed several ladies who were working at the club and immediately put them to work scraping Binion's name off the chips..They spent most of the night doing so. When the club opened the following morning these chips were on the tables:



Binions1



Binions2

It's been said that the chips were scraped when Joe W. Brown took over the Horseshoe in Dec. 1953 and that the "B" and the "n's" remained on the chip because it could be viewed as saying "Brown's"—the same could be said for "Bernstein's", but it's uncertain whether Bernstein had this in mind. His main concern was making Binion's name illegible.

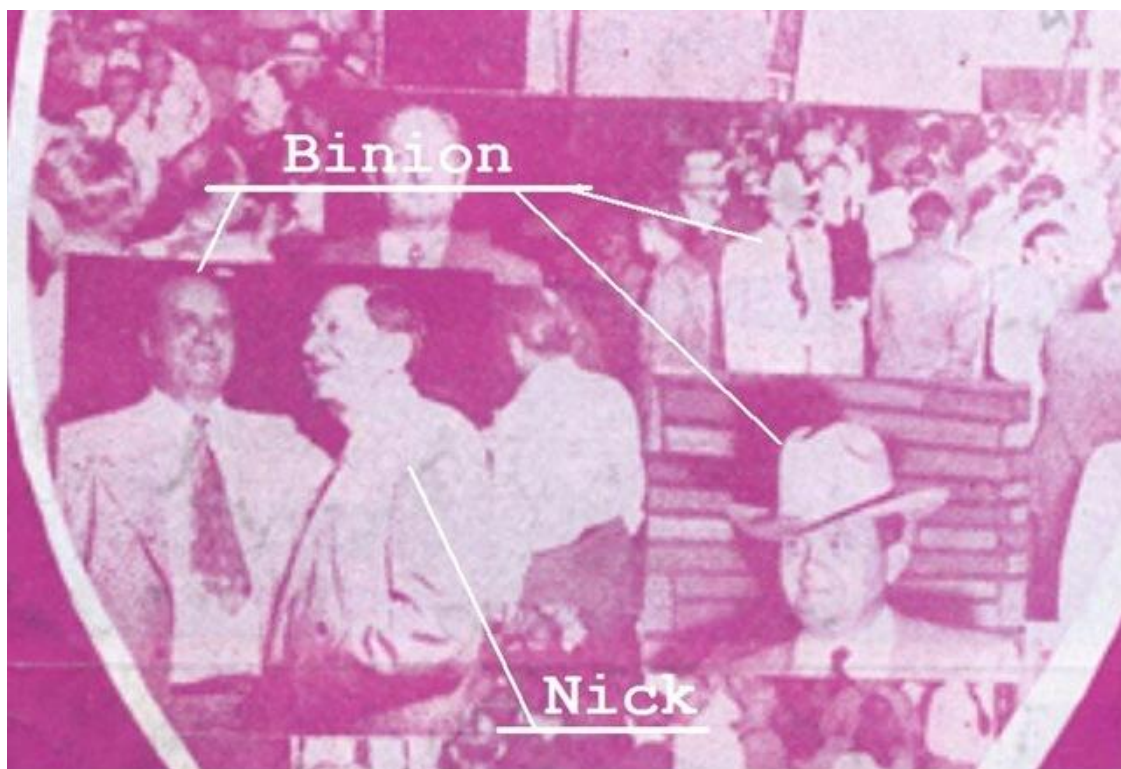
Here's an ad for the Horseshoe from November 1951:

THE CLUB OF ACTION

THE Horseshoe

BAR - RESTAURANT - CASINO
(ELDORADO CORP.)
- DOWNTOWN -
PAT COLLINS, GENERAL MANAGER

Binion shows-up in three of the pics in the ad--one standing next to "Nick the Greek":



Binions4

On December 3rd 1951, the Nevada State Tax Commission approved a probationary gambling license for Binion which would go into effect on January 1st 1952. In order to get the license Binion had to agree to several conditions--one of which was that he had to swear out an affidavit stating that he was not involved with gambling in any state where gambling is illegal.

Binion held a gambling license for the Horseshoe until he forfeited it in December 1953 when he officially transferred ownership of the Horseshoe to Joe W. Brown prior to pleading guilty to Federal tax violations which sent him to Leavenworth Penitentiary. He never held a gaming license again.

My note: I arrived in Las Vegas in January 1980 and went to work at the Four Queen's in January 1981. In those days Eric Drake, poker director of the Golden Nugget was the director of the World Series Of Poker. Eric was (still is) a big time poker player. His poker manager Frank Cutrona (rest easy good friend) actually ran the WSOP. I remember one year he had a dispute with the Binion's and was barred from the property. He had to run the WSOP from his office at the Golden Nugget,

I worked closely with the WSOP directors from 1981 through my departure from the Four Queen's in late 1996 running satellites and handling overflow tables for the WSOP on tournaments that had more entries than their tables could handle. I knew Benny and really liked him until his death in 1989. In my opinion his wife Teddy Jane ran the Horseshoe. She was a woman to be reckoned with. <g> Teddy Jane died in 1994 during the Queen's Poker Classic, We stopped the tourney for 30 minutes in her memory.

I don't think I was aware Benny did not hold a Nevada gambling license until I read this research. You would never know it watching Benny around the Horseshoe. <g>

Lots of good stories on Benny. Here is one,
<http://www.lvrj.com/1st100/part2/binion.html>

This is post 176 in our walk down memory lane in search of the history of our chips.