

# The Great American Coin Gaff

by Vince Mowery

Have you ever fed a video poker machine, with little or no return, and wondered if there was something flaky about the inner workings of the machine? Well you are not alone. This is a story of gaffed (“fixed for the purpose of cheating”) gaming machines and some gaming tokens used in them.

By the mid 1980s, American Coin Enterprises was one of the leading slot route operators owning or maintaining and servicing gaming machines throughout the Las Vegas area, particularly in bars, saloons, pubs, lounges, restaurants, etc. Under contract, they either rented space for their machines or provided machines and shared proceeds with the establishments. In those days, slot route companies also provided gaming tokens for their machines. By arrangement, when a player hit a jackpot, the route company was called and drivers dispatched to pay the winner.

I recall hitting a royal flush at a small casino in a dingy area off the strip and enduring a long wait for the route company guys to show up. They finally arrived in a white unmarked panel truck, armed and with two large guard dogs in the back of the truck. Those were rough times for route company personnel.

“But paying jackpots, which cut into profits, was something American Coin clearly wanted to avoid.”[p.41, “License to Steal,” by Jeff Burbank] By the end of the 1980s,

suspicions were growing, fueled by concerns over low contract fees charged by American Coin compared to other route companies and mounting complaints from stiffed customers. In June of 1989, stimulated by an informant, Nevada Gaming Control Board agents opened machines at several Las Vegas locations and extracted key computer chips. Control Board technicians determined that the logic and programs on the removed chips differed from that initially submitted by American Coin for approval.

Apparently, officials felt they would have difficulty conclusively proving the differences amounted to fraud. This should not be surprising, since electronic gaming machines and written gaming regulations controlling them were still in their infancy at that time. These machines use a random number generator to randomly select cards in a video poker machine or numbers in a video keno machine. Building a “perfect” or near perfect random number generator would be very difficult, and devising a practical test to determine if the RNG is “random enough” would be no less daunting. The gaffed devices in the American Coin machines were rigged to prevent or drastically limit the occurrence of a royal flush, or say 10 winning numbers out of 10 selected on a keno machine. (Easy to do by an accomplished programmer.) These are rare events, and determining when such events are “too rare” or occur with an unreasonably low probability



with a high degree of certainty also would be difficult.

“Gaming Control Board officials admitted the cheating devices [in the American Coin machines] were too difficult for state technicians to find and probably would not have been discovered without someone telling them both of their existence and how the programs worked.”[p.43, “License to Steal,” by Jeff Burbank] (Are there implications here for gaming jurisdictions perhaps less well regulated or policed?) The needed tip-off occurred a few weeks after it was determined the American Coin devices differed from those submitted for approval. Control Board agents questioned Larry Volk, a computer programmer employed by American Coin, who freely admitted he modified the devices at the request of the owners, fearing refusal to do so would mean loss of his job. On July 27, 1989, the Nevada Gaming Commission suspended American Coin licenses, putting them out of business and making their gaming tokens obsolete. But this was not the end.

After much legal maneuvering, the Clark County district attorney's office filed a felony cheating case against American Coin owners, using Larry Volk as their key witness. But this

attempt to bring the greedy owners to justice was stymied on the evening of October 1, 1990 when Larry Volk died of a gunshot wound to the head while working on his car in the carport of his mobile home. With the key witness eliminated, it was decided to drop all felony cheating charges. So the owners of American Coin got off with fines of \$1 million imposed by the Gaming Control Board. But payments were evaded by bankruptcy filings. The murderer of Larry Volk was brought to trial, but acquitted. Later, while in prison on other charges, he had an epiphany and confessed to the murder - protected by double jeopardy. As the current advertising slogan of the Las Vegas Visitors Authority goes: "What happens here, stays here."

The locations where American Coin machines were installed, some of which are shown here, were not implicated in any way in this sordid

story. And their American Coin gaming tokens became obsolete after little more than two years. Unlike major casinos, these establishments, with restricted gaming licenses and usually with only one or two dollar machines, needed only small mintages of gaming tokens. With small numbers made, availability has been limited, especially nice pieces in collectible condition. Although American Coin Enterprises tokens became obsolete in July 1989, they did not disappear from the Las Vegas scene. Some bars and a small casino on the strip were using foreign tokens (i.e. tokens from other locations). We recall seeing American Coin tokens among these foreign tokens in the early 1990s, until the Gaming Control Board started cracking down on their use. Unfortunately, with heavy use these foreign tokens were usually in poor condition. In our opinion, nice uncirculated American Coin tokens are scarce.

The ten tokens shown share a common reverse, each with the American Coin Enterprises logo, as shown at the beginning of this article. Note a smaller American Coin Enterprises logo also appears in the center of each obverse. To my knowledge, these are the only gaming tokens with a slot route company logo prominently displayed on both sides. All these tokens were issued in 1987, except Pete's Place received their tokens late 1986; but no dates appear on any tokens. All American Coin tokens were minted by Nevada Coin Minting with their NCM mint mark on the reverse. In the photos and commentary, we document the current status of each location. Some are long gone and none are using gaming tokens today. But this is typical of many Nevada bars, lounges, pubs, etc., and the slot route company tokens used in them. These tokens are testimony to the passing of an era.



**Arthurs** at 4640 Paradise Road became Fibbers Pub in 1991, with tokens from Southwest Gaming route company, and closed March 1992. Opened October 1993 as Double Down Saloon, again with tokens from Southwest Gaming. Tokens became obsolete in 1996. Short usage periods for all tokens from this location.



**Duck Inn** at 2839 West Sahara Ave. became Whistle Stop in 1990, with tokens from C&R Coin Co., and closed March 1997. Opened March 1998 as Roadrunner Casino with new tokens but no route company. Tokens obsolete when closed in 2002. Currently a Dotty's, one of a chain of several slots-only casinos which have been coinless since 1997. Another example of bars, etc. with rapid ownership turnover.





**Gin Mill** at 2570 East Tropicana Ave. became Office Bar #6 in 1989, with tokens from C&R Coin Co. Tokens became obsolete March 1998. Today only slotless bar-top slot machines, as with many bars, etc. throughout Las Vegas.



**Pete's Place** at 3095 East Fremont Street, near the beginning of Boulder Highway, started using Eisenhower dollars in February 1991. Today it is the site of a small restaurant, as shown. An example of many bars, etc. that have disappeared throughout Las Vegas. Note, the token has no apostrophe in the name.



**Rum Runner** open today at the same location - 1801 East Tropicana Ave. By February 1991, they were using Eisenhower dollars and in 1995 obtained tokens from E-T-T, Inc. route company. Tokens became obsolete in 2002 when they went coinless, as did many other bars, etc. at that time. Today this place has no dollar machines.



**Skinny Dugans** remains open today at 4127 West Charleston Blvd. By 1989 they were using tokens supplied by Anchor Coin route company and a year later changed to their own token (no route company). By November 1998 their tokens were obsolete when they went coinless. Note incorrect spelling of the name on American Coin token. Apparently American Coin was not concerned about accuracy.



No photo available



**Sonny's Saloon** at 2358 West Spring Mountain Road no longer exists, having been swallowed up by a major interchange on I-15. In 1994 they were using tokens supplied by B.W. Corp route company.



These tokens became obsolete in 1997 when they moved to a new location on Industrial Boulevard.

**Sportsman Lounge** at 5660 Boulder Highway was using Eisenhower dollars by February 1991, with no record of tokens after that. Several years ago they remodeled and changed the name to Sportman's Pub, becoming coinless. Today they have only slotless slot machines.



**Village Inn** at 238 West Sahara Ave. closed with no additional tokens used. Today, only an empty lot remains on the north side of Sahara, as shown. A casualty of the American Coin gaff?



**West Hill Pub** at 3601 West Sahara Ave. became the Cellar Lounge in February 1992, with Southwest Gaming route company tokens issued in 1997. Tokens became obsolete in 2002 when they became coinless, as with many Nevada bars, pubs, etc.

