



Scamming it

Cheating, in whatever form, is part of the human condition, and in the high-stakes world of gambling the temptation to steal an illegal march on the casino is high. We investigate the latest scams out there

BY LUCIANA LEITÃO

When the first official report of gambling landed on a Chinese official's desk in 2300 BC, it's a pretty safe bet that the next report to come in on tablets of stone was one of cheating.

Over time the techniques, scams, rackets - call them what you want - have changed and become more sophisticated, but the principle has remained the same: taking on and beating the house.

And there's no bigger house than Macau, the biggest gambling destination in the world by revenue.

Some of today's cheats cash out chips that are not theirs, others try to pass off counterfeit ones, while some use more far-fetched tricks at the baccarat or blackjack tables.

But the daddy of all scams is the side bet, an unholy alliance between the junkets and players, which hurts casinos the most - and no-one knows exactly how much.

Rising rackets

There were 1,279 casino-related crimes in 2007, 1,506 in 2008 and 1,601 last year, of which theft and scamming were the most common. Last year, the Judiciary Police uncovered six casino crimes connected to triad societies, two more than in 2008.

Leong Chi Wai, who heads the Judiciary Police gaming-related crime division told Macau Business that in 2009 alone, 125 cases of scamming were solved and 52 people were arrested.

The cases involved a number of different gaming frauds and were, by and large, carried out by people from the mainland.

Fake chips remain public enemy number one, but growing knowledge of how the rackets work means they are becoming less common: "It's usually HK\$1,000 chips which are cashed-in when someone goes to pick up their winnings and the casino recognises the fakes," says Leong. However, more and more frauds in casinos go way beyond counterfeit chips.

For example, says Leong, gamblers often play on more than one table at a time and if they win at a table where they are not actually physically present, another person might try to claim their win.

Larry Ho, senior vice president of the casino at Ponte 16, says another very common scam - which he insists he has not seen at his property - is 'capping',

when a second player puts a wager on top of another's without him noticing. It is only when the results are opened, that the first player realises what has happened: "When he is caught, he can easily say it's a mistake," adds Ho.

Croupier scams

In baccarat, the most common scam is the so-called 'false shuffle', which enables players to memorise the order of the cards. The dealer intentionally fails to shuffle a deck, and the players know the next cards.

There are many ways for a dealer to help a player. For instance, Leong explains how the croupier might memorise the cards, then on his break go to the bathroom and send a text message to the players.

"Usually this happens when secret societies train the croupier," he adds, saying they only detected two cases last year. Many casinos have introduced shuffling machines to stop this scam.

Gaming Inspection and Coordination Bureau (GICB) Director Manuel das Neves says scams that involve an

agreement between the croupier and the player are the most difficult to solve.

"Some years ago we had a suspect, but he had to be caught red-handed for the court to accept it. Acting together, the Judiciary Police and the GICB, staked out the casino's big and small tables for almost a month.

"The suspect kept standing by the table; the croupier saw the results and made a signal to the him before opening up the lights for the winning bets. Only then did the scammer bet," Neves remembers. Eventually the cheaters were caught.

Sometimes, when buying chips the player might only pay HK\$1,000 and the croupiers might give him two HK\$1,000 chips. This is one of the most common frauds, says Neves.

He says the first to suffer as a result of cheating are the gamblers, not the casinos, because they are deceiving fellow players.

The government has no idea on how much money is lost but "it's not significant, it is actually a very small percentage," claims Neves.

Side bets

The most untraceable and damaging scam usually takes place outside the casino - side betting.

Leong explains: "The gambler bets HK\$1,000 with the junket, but only puts HK\$100 on the table. The deal is that, no matter the result, the player always wins HK\$1,000.

"Over the years only eight to 10 cases of this type have been solved by the Judiciary Police. They're very difficult to uncover, especially because the money transactions are always done outside the casino."

However, the director of the GICB thinks there's no reason to worry: "It's true that it is almost impossible to catch the cheaters and that when this happens, there is money involved that escapes government taxes, but I don't believe the volume is that big," says Neves.

He believes that for this scam to take place, there has to be maximum confidence between both parties involved, which isn't always an easy state of affairs to ensure: "The risk is big for the junket that accepts this," he says.

Beyond the floor

The possibility of gaming rackets extends beyond the walls of the city's casinos.

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Last month gaming websites and forums were abuzz about an overseas poker expert who was alleged to have been training students in Macau and who was accused of making off with the fees they paid.

In January this year, another scam emerged. A 42 year-old unemployed Hong Kong man called the phone company, pretending to be a junket operator, stating he had lost his SIM card and needed to transfer all his personal information - that had been provided by the rest of his gang - to his new card.

As soon as the original card was deactivated, he went to a casino VIP room and ordered MOP5.3 million worth of chips, in the name of the real owner of the phone number.

According to casino rules, staff have to confirm with the junket that the real owner has given authorisation. In this case, the number was in possession of the rest of the members of the gang who answered the phone and gave the OK to the operation.

According to the Public Prosecutor's website, someone commits a fraud when they "have the intention of obtaining others' money/wealth, by deceiving or entrapping" and may be punished by up to three years in prison or by paying a fine.

The punishment may go up to five years, if the damage caused to the victim is big. If the cheat usually scams for a living or if the victim is severely affected, then they might be punished with up to ten years in prison. Of course, when one adds up theft or larceny, the penalty might rise significantly. 📰



A cheat's tale

If you Google gaming scams, he's right there. And now one of the world's highest profile casino cheats spills the beans on his life as a casino swindler

BY LUCIANA LEITÃO

It's not a title most people would revel in, but American Richard Marcus considers himself one of the best cheats in the world and, since he retired from the "job" six years ago, he has been telling his story to anyone who wants to listen.

Chance – by divine coincidence - determined his line of work. Marcus, 53, started dealing blackjack and baccarat in his teens after losing all his money in a Las Vegas casino.

Then he met a man from New York who was recruiting cheats for his team of scammers: "I was interested as I had done some low-level scams as a kid. Scamming was already in my blood," he tells Macau Business.

Marcus quickly thought of a scam to use on his baccarat table, which is nowadays called the 'false shuffle' and, he says, is widely used in Macau casinos. "After doing that scam in my casino for US\$40,000 (HKD\$310,616) profit, I quit my dealing job and became a full-time professional casino cheat - for 25 years."

Shuffle scams

The shuffle scam works when the dealer is in agreement with a team of players who have to keep track of the cards. The dealer intentionally fails to shuffle one or two of the decks and the players already know which cards will come out next. "It is now the most popular scam in Macau," says Marcus.

In fact, claims Marcus, Macau casinos have suffered a lot from this scam, which has cost them HK\$4 million. He claims both the Sands and Venetian got hit as soon as they opened.

In Macau, Marcus used other moves, such as the Savannah Roulette scam. "By hiding US\$5,000 chips under USD\$5 chips on the 2 to 1 column, we won US\$10,010 each time these bets won while losing just US\$10 when they lost.

"We did this by quickly switching out the losing bet containing the \$5,000 chip and replacing it with \$5 chips the instant the ball dropped," he explains on his website.

If he and his team were caught by the dealer, they



would pretend to be drunk and claim they didn't realise the ball had dropped. According to Marcus, he was never discovered, because the dealer never saw the US\$5,000 chip. It may seem too simple, but according to Marcus, it always worked.

Working as a cheat in Macau, Marcus has seen other scams in operation.

"In Macau, the majority of casino scams are not done by people like me, they're done by triads. The gangs get their dealer in the casino and at one point they're going to steal big. Sometimes the dealer's supervisor is involved in it," he claims.

Beats robbing banks

Marcus almost always worked with a team: "Most of the other people that I played with started scamming because they lost a lot of money gambling and wanted to get it back quickly", he says.

"Some, however, just got into it because it was a way to make a lot of money with little risk."

Actually, says the professional cheat, even though what he did was a crime, in most places, the punishment is not very severe.

"In one casino-cheating move, we walked away with more money than most bank robberies, which are much riskier and much more serious crimes with harsher penalties," says the professional cheat.

The best moves use a team of three or four people, but require military precision.

"Everybody was trained to do one specific thing. For instance, one was called the mechanic: he was in charge of switching chips, moving chips around. Another was the claimer who sets up the casino for the move and claims the money when it is paid, while one or two people are the chip better," he says, explaining there was also a person – the role usually played by him – not involved in the move, who provided the protection.

The scam would be called off if the person securing the protection noticed any suspicious behaviour by the casino. "The

protection was more important than getting the money,” Marcus says.

Vegas dream

Looking back on his career, Marcus claims Las Vegas was the easiest place to scam, and the hardest was London.

“In Vegas, they have the attitude that they know everything and no-one else knows anything. It’s the oldest best-known gambling destination, and the casinos are so big.

“On the contrary, casinos in London are small and people are very well trained,” he says. In fact, today Macau is similar to Vegas. They have the video systems, but no-one to interpret the moves.

Crime pays

During his career as a cheat, the most he made in one night was HK\$120,000, the minimum was HK\$10,000.

In 2004, he stopped scamming and gambling: “I’d made enough money. I was already in my 40’s and I just had enough and wanted to write a book about it,” he says.

He has no fears about disclosing his story, because he waited some years until his crimes lapsed before going public.

He was never caught: “My moves were the best. Also, I was never greedy, I knew when to stop. In my teams, we had our own security.”

He also claims to have had no problems with casinos or mafia wise-guys: “Well, in Europe that was never a problem. In Vegas, the mob got out of the casinos in the 60’s, before I started scamming. In Macau, the 60’s and 70’s was a particularly dangerous era, but now it is much like Vegas, not a big deal”, Marcus says.

Apart from publishing five books about cheating, including American Roulette, a memoir of his own experiences as a jet-setting casino swindler, he does consultancy for casinos all over the world, helping to set up surveillance systems.

That’s why now he has a good relationship with casinos: “Most of the operators I work with I’ve cheated, they’re happy to pay me to tell them what I’ve done.”

Catching a thief

From cameras to paid snitches, casinos try to cover all the angles to beat the cheats

BY LUCIANA LEITÃO



Every time a casino scam is discovered, those tasked at stopping the racketeers learn a lesson and apply it. But the scammers are often one step ahead.

Casinos usually work closely with the Judiciary Police and have regular meetings with private security companies to confirm what’s happening in other countries and prevent new tricks from being imported to Macau.

Surveillance

Surveillance cameras are a key component in keeping casinos safe: “Sometimes they detect them through cameras. When they notice suspicious behaviour, they distribute the image of the perpetrator to other casinos”, the head of the police gaming-related crime division, Leong Chi Wai says.

“However, given that most people committing these crimes are from the

mainland, it may be difficult to find them. They are in and out of Macau quickly.”

Fake chips are now easily traced because they are implanted with microchips, says Leong.

Machines help

Over the years, certain scams have disappeared with the improvement of security systems.

Scammers who used to count the cards and place bets have been scuppered by the use of dealing machines.

For the director of the Gaming and Inspection Coordination Bureau (GICB), Manuel das Neves, cheating is very difficult today.

“Now, the casinos have very good surveillance systems. Also, they hire former cheats to work for them. For instance, in a Sands case - a baccarat scam that netted HK\$30 million in 2004, was discovered by a former cheat,” he recalls.

Watch the snitch

He believes human surveillance is best: “I’m watching you, he’s watching you and a third person is also watching and being watched. In the middle of this, there is always a snitch on the casino’s payroll.”

Larry Ho, vice president of the casino at Ponte 16, says operators are well equipped against scammers, making it difficult for them to succeed.

Table thieves

Apart from organised and often well-thought-out casino scams, chips - or money - are often simply stolen from tables or women’s purses.

Gaming crime detective Leong Chi Wai says people need to keep their wits about them: “People place their bags behind the tables or chairs and forget about them. It’s the perfect opportunity for a thief,” he says.

Most thefts take place at the table and in many cases are simply opportunistic. However, there are records of thefts perpetrated by two or more people acting as a gang.

“Usually, each year, there are records of two or three cases of this sort,” says Leong and they are normally carried out residents of the mainland and Hong Kong.

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