

MGM Mirage fires 400 managers

Las Vegas – MGM Mirage Inc., the largest casino operator on the Las Vegas Strip, told more than 400 middle management employees Monday they would be terminated immediately in a cost-saving move, the company said.

The decision will save USD 75 million annually and came after the company saw weakness since August at its properties, which include Bellagio, MGM Grand, Mirage and Mandalay Bay, spokesman Alan Feldman told The Associated Press.

The move is the largest and swiftest by a casino operator in the current economic downturn, although the use of so-called „extra board“ employees such as dealers and busboys who take fill-in shifts as needed has been down citywide.

„We were able to see the signs of trouble on the economic horizon last August,“ Feldman said. „The economy was beginning to worsen and clearly was not going to get better in the immediate term.“

Budget-tight guests have shown a tendency to spend less in all major segments of the business, Feldman said.

„Instead of four days, people stay for three. Instead of a five-star experience, they are going for four stars. Instead of two shows, they’re going to one,“ he said. „There certainly is the possibility that there are people who are also making a decision to gamble less.“

The cutbacks were at the middle-level corporate and property management areas in all departments from marketing to accounting and affected employees in Michigan and Mississippi, though the bulk were in Las Vegas.

No further cuts were planned unless the „economy should take a serious dive for the worse,“ Feldman said.

MGM Mirage opened the joint venture MGM Grand Macau in December and is constructing another joint venture, the USD 8.1 billion CityCenter complex, which is set to open on the Las Vegas Strip in late 2009.