

BUSINESS

## Casino Boss Can't Cash In on Game He Developed

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This is a gambling tale about a casino boss who took a seat at history's card table and bet the house on a royal flush of an invention.

He watched it change the course of California gaming and sweep the world -- then he walked away in anonymity as the revolution he created left him behind.

Pai gow poker is the game.

It is steeped in Asian superstitions, and even Hong Kong high rollers think it originated in China. But pai gow poker's first casino hands were actually dealt in 1985, in the Bell card club of Sam Torosian.

The Boyle Heights-raised son of Armenian immigrants, Torosian was trying to save his struggling casino. He bet correctly that pai gow poker's blend of ancient Asian influences and straight-ahead poker would deal a winner.

But even as pai gow poker's popularity crossed cultures and the globe -- from Las Vegas to Atlantic City, Macao to Buenos Aires -- Torosian's dreams of fortune fizzled.

One thing was missing from Torosian's plan: a patent. An attorney, Torosian says, told him that a game based on a 52-card deck wasn't patentable. Turns out it was. Over the years, Torosian watched hundreds of card games, including Caribbean stud, let it ride and even pai gow poker variations, receive patents. Demoralized and battered by debts and partner disputes, he eventually closed his club.

Torosian, a short man who sports a pencil-thin mustache and whose dress is as sharp as his memory at 72, rarely sets foot in casinos anymore. When he does, only old-timers or former employees recognize him among the crowds of pai gow poker players.

"I never forget good bosses like Sam," said Commerce Casino's restaurant chef, Tony Ortega, giving Torosian a hearty handshake on a recent visit.

Torosian should be getting more than handshakes.

In gaming, inventors earn royalties that are based on the number of casino tables offering their games. Conservative estimates have Torosian earning \$70,000 a month, had he patented the game. Some experts say his fortune might have reached \$100 million by now.

Instead, gaming history is poised to forget his name, just as it has forgotten the names of the creators of blackjack and baccarat.

**Light & Wonder v. Evolution**

**Light & Wonder Exhibit 1035** 1/5

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"He should, by all rights, be receiving a royalty check from every casino that uses his game around the world, and he doesn't... But that's gambling. Life in the casinos takes very strange twists," said Peter Ruchman, a Las Vegas-based gaming analyst.

Torosian, a onetime bread delivery man turned real estate investor, was already a successful entrepreneur in 1984 when he first toured the California Bell Casino.

His wife, Vicky, a wig shop owner, liked to play draw poker there, and encouraged her husband to add to his mini-empire of hardware stores and food stamp distribution outlets.

Torosian bought the casino for \$750,000. It had dozens of tables and 750 employees, but some nights there were only enough customers to keep four games going.

It was a similar story at card rooms across southeast Los Angeles County, where a casino building boom had left dealers staring into space, shuffling alone.

Nervous casino bosses held monthly strategy meetings at a conference room off the main bar at the Bicycle Club Casino in Bell Gardens. Torosian and the others agreed that they needed to start new games. Pai gow -- an ancient Chinese domino game that means "near nine" -- had achieved some success, but its complexities and low revenue limited its appeal.

Some bosses wanted to lobby lawmakers to change the state's gambling law, which was nearly 100 years old. Under that law, only three card games were permitted: draw poker, low-ball and panguingue.

But Torosian had his own ideas.

"My deal was, I'm not going to wait," he recalled telling his fellow casino owners. "I'm going to create something new."

Torosian rarely gambled. The only numbers he knew were on the bottom line, and the most creative thing he had ever done was painting a house.

The way Torosian tells it, he walked around his empty casino for days, letting the ideas swirl in his head. Then one night, an elderly Filipino poker player pulled him aside and told him about a game called puy soy.

Puy soy is a Chinese card game in which players receive 13 cards and cut them into three poker hands. They then play against a banker's three hands.

Torosian believed a 13-card game would be too slow. But, he thought, what if gamblers could play two hands: one with five cards, the other with two? Players beating the bank's two hands would win.

Pai gow poker was a perfect fusion of Eastern and Western influences, "a modern game in Asian clothing," said George Hardie, the former owner of the Bicycle Club.

The idea of splitting the hands came from the ancient pai gow tiles game, and the aces-high ranking system was borrowed from straight-ahead poker, which spread across America on trains and Mississippi steamboats.

But was such a hybrid legal?

Torosian, card deck in hand, decided to visit Bell's top cop, Chief Frank Fording, now deceased. Sitting across from Fording's desk at the police station, Torosian dealt a few hands.

"I said, 'What do you think, chief?' This is going to bring a lot of revenue in," Torosian recalled.

"He said: 'I like it.' "

The chief's approval was the first of several victories that eventually won the game legal status.

A few gaming industry veterans doubt Torosian created the game. They say gamblers played a form of pai gow poker for years in underground gambling parlors in New York City's Chinatown.

But no one besides Torosian has laid claim to pai gow poker, gaming experts say, and they agree that, even if he didn't invent it, Torosian is most responsible for its popularity.

"With any game, there are always roots of dispute," said Bob Parente, vice president and general manager of Mikohn Gaming Inc., which holds a patent on a variation of the game.

"Some people emphatically say he did it, and others say it was already out there.... But [Torosian] is the only guy that we can actually pinpoint that is directly attributable to this game.... At a minimum, he built the market and visibility."

Torosian launched pai gow poker on a Friday night at two tables.

By the next Friday, 30 tables were filled with gamblers.

"I'm telling you, it caught fire like you can't believe," he said.

Torosian squeezed tables closer together, lined them in hallways, and pushed them close to bathrooms and entrances.

Like gamblers hearing victory yells at the craps table, other casino bosses heard about the new game and began driving up the Long Beach Freeway to pay Torosian a visit.

When Hardie introduced pai gow poker at the Bicycle Club, then one of the largest card clubs in the world, the game hit the big time and never looked back.

Asian gamblers enjoyed pai gow poker's fast pace, and its borrowed Asian rituals, like the heavy, brass dice cup that players slam to the felt to determine where the deal starts. Casino owners liked the game because it generated far more revenue than traditional poker games.

Pai gow poker, along with pan 9, which was created by Torosian's partner, Fred Wolf, helped keep the industry afloat in its toughest days and financed huge expansions.

"Nobody ever thought that card clubs could win this kind of money

By the late 1980s, pai gow poker had jumped to the Las Vegas strip, and it is now played worldwide.

These days, the only table where Torosian plays it is in the dining room of his South Pasadena home. He likes to deal to some of his four children, four grandchildren and two great-grandchildren.

Torosian lives comfortably after retiring from the business. But thoughts of how he missed out on a fortune for his family still rankle him and his wife.

“Do you realize that if we had patented that game, I wouldn’t be talking to you right now, I’d be counting the money,” said Vicky, breaking into laughter.

The Torosians appear to have been victims of a purist view of card games. Popular among old-time poker players, it holds that any game derivative of a 52-card deck shouldn’t be patented.

“Sam was upset with me because I advised him not to try to copyright it ... I told him that anything done with a deck of cards was in the public domain,” said Michael Caro, an author of numerous books on poker.

“I gave them bad advice,” he said. “But it was advice I felt was ethical.”

Torosian won’t say which attorney gave him similar advice, but he soon learned it was wrong.

His one-year window to lay claim to pai gow poker lapsed and the game entered the public domain, just like regular poker.

Others didn’t make the same mistake, including Torosian’s former casino manager, Moe Mostashari, who went on to create, and patent, no bust blackjack.

“Sam got the wrong advice,” Mostashari said. “Talk about a lost opportunity.... Nobody has ever lost more money by not patenting a game than Sam.”

Torosian played his cards wrong, but he can now chuckle about it.

Recovering from heart bypass surgery, he treasures his health and family, and spends his days watching Lakers and Dodgers games, or tending his garden.

Still, when he walks across a packed casino floor and marvels at the wealth pai gow poker created, sometimes it’s as if the former casino boss can hear the gaming world’s back room celebration.

The casino barons -- past, present and future -- are chomping their cigars, laughing all the way to the bank.

And Torosian’s not invited. “They never even bought me a cup of coffee,” he said.



Richard Marosi

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