

Making Change

by JEREMY SCHOOLFIELD

Frank Seninsky discusses the science of redemption games

Running a game room is not about guesswork. It's an exact science. Just ask Frank Seninsky, president of East Brunswick, New Jersey-based Amusement Entertainment Management, and he'll tell you how it works without hesitation.

"We have a 100 percent proven track record," Seninsky says. "In 33 years, we haven't missed. I can't even see how we could."

How can he have so much confidence? Because Seninsky's strategies for managing redemption games are so complex, he essentially had to invent his own language to describe them to other people. In his seminar "Quarters In and Nickels Out—Dollars In and Quarters Out," which he will present in November at IAAPA Attractions Expo 2005 in Atlanta, Seninsky uses terms such as "workhorses," "hit percentage," "win percentage," and "perceived value." Any redemption managers who aren't familiar with these concepts might want to stand up and take notice. Seninsky's been giving this presentation for two decades and applying these ideas for 30 years in his chain of successful FECs on the Jersey Shore; he's turned around thousands of facilities in his quest to "standardize the industry" of redemption.

Why would he give away all this information to his competitors, though? It's a fair question, one that requires a big-picture guy to answer it. "I share everything with my competitors," Seninsky says. "Everything I've been through in my life in this industry has been to raise the level of professionalism," because if he can educate his competitors, it raises the entire level of the field, which helps him, in turn.

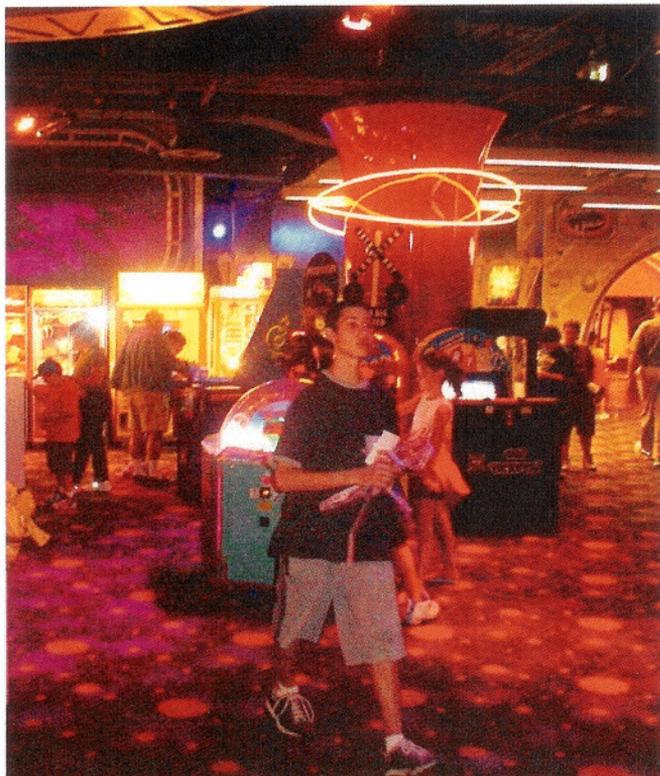
Seninsky gives this example: Say one of his competitors makes a blunder and goes under. Well, he reasons, someone in the banking industry may see that failure as symptomatic of the entire industry and thus raise the interest rates for FEC loans, making it harder for him to make a living.



Two happy customers walk away with fistfuls of tickets at Foxwoods Tree House Arcade run by Frank Seninsky's AlphaBet company.

"If you can improve the professionalism and teach people how to know whether they're making or losing money, they'll all run successful businesses, and everyone benefits," Seninsky says.

Although it has gone by a few different names over the years, Seninsky has been giving essentially the same "Quarters In and Nickels Out" seminar since the mid-1980s. He continually updates it, though, to maintain current examples of his "workhorses"—the 20 percent of his games that make 80 percent of his revenue. But for those workhorses to do their jobs, all the games in the center have to be set up to work together, not against one another. Everything has to be



There are any number of factors that go into running an effective game room, Seninsky says, everything from how often a game pays out tickets to where the game is located in relation to others.



Frank Seninsky is president of Alpha-Omega Group of companies, which includes a consulting agency, Amusement Entertainment Management, LLC (AEM) and a nationwide revenue sharing equipment provider, Alpha-BET Entertainment; all are headquartered in East Brunswick, New Jersey. During his 36 years in coin-op, Seninsky has presented nearly 250 seminars and penned more than 1000 articles. He has served as president of the Amusement and Music Operators Association (AMOA) from 1999-2000, currently sits on the AMOA Board of Directors and is next in line for presidency of the International Association for the Leisure & Entertainment Industry (IALEI). Seninsky can be reached at telephone: (732) 254-3773 or by e-mail: fseninsky@aol.com www.AEMLLC.com

worked out to the finest detail, Seninsky says, from how many tickets a machine pays out (ticket payout percentage) to where the machines are located in relationship to the others.

Seninsky estimates that managers who do not follow these theories are operating their game rooms at a proficiency rate of about 50 percent or less. That leaves a potential to double the bottom line.

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Seninsky says his clients typically realize early on that their game centers require their own managers, people whose specific task will be maximizing the games' potential. The average redemption game requires four hours of work to get it in "tip-top" shape, he says, and the general manager of an FEC doesn't—or shouldn't—have that kind of time available, because other ele-

ments of the business will begin to slip.

"A game room is not something you just put in a storeroom with a door on it and throw games in," he says. "Everybody can come and learn something. It's all marketing, presentation, perceived value, and picking up on the things that work and extending on those."

America continues to change in the fallout from the Sept. 11 terrorist attacks of 2001, Seninsky says, and FECs (specifically redemption games) are a growing sector of the amusement industry. "I still think we haven't hit the tip of the iceberg," he says. "There is so much more opportunity for places to expand from video to redemption and new places to add redemption."

He adds: "Redemption is family, and America is swinging back toward family. It's very important that the family goes out and does something somewhere in a social environment that involves active rather than passive [entertainment]. The point of the seminar is to learn the language, learn the basic concepts, and to use your gaming area as the hub to make more money for your whole facility." 

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