

# The Man Who Invented Las Vegas

by  
**W.R.  
Wilkerson III**



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*For the late Tom Seward, my father's partner of fifteen years, and for my son who should know more about his grandfather.*



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## *Preface*

I began compiling this record of my father, W. R. “Billy” Wilkerson in May 1972. It was then that my curiosity about him first bloomed. I interviewed all the principals on my father’s side connected with the Flamingo, from his wives to business associates. I spent a great deal of time with the man who knew Billy Wilkerson best: George H. Kennedy, Jr. George began working for my father in 1933, first as his personal secretary and later as his general manager. He was also my godfather.

George retired from a life of faithful service to Billy Wilkerson shortly after his death in September 1962. From 1970 to a few months before his own death in 1991, George and I met regularly at his home in Ramona, California. I spent almost the entire month of August 1972 interviewing George in person or by phone. He talked freely and at length about my father. Unfortunately, while he did not object to being interviewed, George’s aversion to being tape recorded made my job difficult.

In 1973 all the interviews (recorded from August to December 1972) stored at my family home were burglarized. Although I was initially disheartened, in one sense I felt the loss was not that great. George had been hinting about writing a book on my father for some time. I decided to wait for his book, and abandoned my project.

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When George died in November 1991, it became my responsibility to tell my father's story. And so, once again, after nearly 20 years, and without George's help, I started from scratch.

In his 1991 book *Little Man*, British biographer Robert Lacey was the first to corroborate that the Flamingo's authorship rightfully belonged to Wilkerson, not Ben Siegel. When I contacted him, Robert gave me many helpful pointers. On his advice, for example, I steered clear of the gangster "boiler plate" and stayed exclusively with Wilkerson's story. So, as much as possible, the references to gangsters in this book are peripheral.

Few documents from this period have survived. This is particularly true of documents from the Nevada Project Corporation, the corporation belonging to Siegel and other organized crime figures involved in the Flamingo. Added to this, Wilkerson incinerated all his business and personal records from 1929 to 1950 in an office bonfire in 1951. The majority of this book then is based on the few documents that still exist and on firsthand accounts from those who worked for both Ben Siegel and Billy Wilkerson.

A thorough search of FBI files revealed little of value. Withheld, presumably, is the incriminating affidavit Greg Bautzer filed in the winter of 1946.

Many would not talk to me because of past ills Wilkerson had done to them. Gangsters associated with the Flamingo either did not want to talk with me at all, or quickly developed total amnesia despite the fact that their names appear on key documents.

At the onset of writing this book, two overriding questions concerned me. First, I struggled to find documentation directly linking Siegel to the vision of the hotel. This

search was unsuccessful. Second, I questioned who could be credited for the invention of Las Vegas as it is known today. Although Tom Hull combined a hotel, casino and showroom under one roof in Las Vegas with the opening of his El Rancho Vegas in 1941, his vision was more “Western” than modern or European. Wilkerson devised an elegant American Monte Carlo for gamblers. With his Flamingo, the modern-day resort extravaganza arose in the desert.

In my early grammar school years we played a classroom game called, “Telephone.” The teacher would whisper a single word in the first student’s ear with instructions to pass it on to the next, until, one by one, row by row, the last student was obliged to reveal the secret. The word was never the same. At some point it became convoluted.

Myths are created in the same fashion. They spring to life the moment the truth is forgotten. They are further distorted by the permutations of the Telephone Game of History. As myths are passed on by word of mouth, they become universally accepted as truth. Myths also tend to elbow aside rightful claimants who remain silent.

Wilkerson’s reluctance to openly claim authorship of the Flamingo during his lifetime encouraged history to forget him. He did not view the Flamingo as a particularly happy episode in his life. Wanting nothing more to do with the project, he did not take credit as the hotel’s author following Siegel’s death. After Wilkerson’s departure in April 1947, he disassociated himself from the project, rarely mentioning it in public or private. History, of course, cordially accommodated his wishes by crediting the hotel to his arch nemesis and former pupil.

All too often, time itself adds its own problems to our

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search for the truth. It is as if history suffers from Alzheimer's and like a sleeping Rip Van Winkle, must be awakened, or, in drastic cases like Wilkerson's, vigorously resuscitated. Along with the wholesale destruction of documents, books and entire libraries, inaccurate reporting also adds to history's shortcomings. Less than rigorous news reports create the perfect breeding ground for myths. Simply put, a lack of vigilance regarding the truth allows the facts to disappear and myths to emerge. Equally disturbing, it is extremely difficult to stem this re-writing of history, especially in the wake of powerful feature films.

To date, history has failed Wilkerson. He is the quintessential victim of myth. During his lifetime, Wilkerson enjoyed enormous celebrity status. For three decades, practically everyone in Hollywood knew him, or of him. Yet a mere thirty years after his death Billy Wilkerson is practically unknown.

As George Kennedy said, "History is the last man at the typewriter."

W. R. Wilkerson III  
March 1995



## *1. The Man*

**B**illy Wilkerson took Hollywood by storm in 1930. The suave, swashbuckling impresario remained a dominant influence in the film industry for the next three decades.

Wilkerson's movie connections began humbly in 1916 with a Nickelodeon. He was away from home, studying medicine in Philadelphia, when his father, a renowned gambler, died unexpectedly leaving behind a mountain of debts. Young Wilkerson was forced to find employment to support himself and his mother.

Two weeks later, on a World Series bet, a friend from medical school won a movie theater located in Fort Lee, New Jersey. Wilkerson agreed to manage the tiny Nickelodeon in exchange for half the profits.

Wilkerson found the fledgling film industry very much to his liking. Between 1918 and 1929 he held an assortment of movie jobs ranging from film sales to producing one-reelers for a small picture company. For a spell he was also District Manager at Universal Pictures under Karl Laemmle.<sup>1</sup> By 1929 he had acquired a partnership in a Manhattan trade paper devoted to the film business.<sup>2</sup> Realizing the limitations of a New York base, Wilkerson began dreaming of starting the first daily trade paper for



Wilkerson Archives

*Wilkerson at nine months old. Tennessee, 1891.*



Wilkerson Archives

*Wilkerson at medical school. Philadelphia, 1912.*

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the motion picture industry in the place where the movies were being made — out west, in Hollywood. This dream would become his life's work.

It began as a riches-to-rags story. In late October 1929, he bumped into a Wall Street chum who “advised him to play the Market at rock bottom”.<sup>3</sup> Wilkerson sold his half-interest in the Manhattan trade paper for \$20,000 and borrowed an additional \$25,000. On “Black Tuesday”, October 29, Wilkerson's thirty-ninth birthday, he walked into the Wall Street Stock Exchange at ten in the morning with the intention of doubling his money and hightailing it to California. Forty-five minutes later the market crashed and a dazed Wilkerson wandered out of the building without a dime to his name.<sup>4</sup>

Undaunted, he packed his wife, his mother and their few belongings into a dilapidated flivver and motored cross-country to Hollywood. There, on July 26, 1930, he formed the Wilkerson Daily Corporation and on September 3, 1930 the first issue of *The Hollywood Reporter* rolled off the presses.

This daily magazine reported on movies, studios and personalities in an outrageously candid style. Through its outspoken pages Wilkerson became one of the town's most colorful and controversial figures. He was Hollywood's champion and conscience, its loudest critic and most vehement booster. His opinions reflected the turbulent times and mercurial moods of the town's famed Golden Era.

But the first six years were anything but easy for Wilkerson. *The Reporter* did not receive an enthusiastic reception. The country was, after all, awash in the Great Depression. To make matters worse, Hollywood was a

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company town ruthlessly controlled by a handful of autonomous, iron-fisted studio heads. Men like Louis B. Mayer and Harry Cohn were used to being obeyed, not admonished. A bad movie review or an outspoken editorial could lead to a studio withdrawing valuable advertising support for months at a time. Wilkerson fought back, hacking at the studio heads with his typewriter. He began each issue with a stinging self-penned editorial entitled “Tradeviews,” which exposed corrupt studio practices and launched an all-out attack on the studio system in general. The upstart publisher also employed hard-ball tactics to solicit advertising. Studios were literally blackmailed into giving their support. If they refused, he ordered a complete editorial blackout on all their material – from press releases to film reviews.



Wilkerson Archives

*Wilkerson with his editorial staff. Hollywood, 1936.*



Wilkerson Archives

*Studio photo of Wilkerson. Hollywood, 1945.*



Wilkerson Archives

*During lean periods, Wilkerson knew how to man the machinery himself. Hollywood, 1936.*

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The corporate moguls eventually banded together to deal with The Reporter. They refused Wilkerson all advertising support and deprived him of news from their studios. They even hired extra employees to burn The Hollywood Reporter when it was delivered every morning at their front gates.

At the height of the battle, his reporters were barred from every lot in town. Wilkerson told them to climb over studio walls and sift through the executives' garbage. These tactics produced a flood of incriminating news, which Wilkerson cheerfully printed.

Many times Wilkerson was on the verge of closing down his operation only to be bailed out by loans from friends such as Joseph Schenck or Howard Hughes. Eventually, his dogged perseverance won the day.



Wilkerson Archives

*Hard at work. Hollywood, 1936*

“Tradeviews” became one of the most widely read daily columns in the industry. The Reporter, by now fondly referred to as “the industry’s Bible,” gained national prominence. Even President Franklin D. Roosevelt had the paper airmailed daily to his desk at the White House. By 1936, The Hollywood Reporter had become something even the most prescient studio heads had never anticipated – a power that rivaled their own.

But Wilkerson wasn’t content with establishing himself as a magazine publisher. He wanted to become a night club proprietor as well. There were, in his opinion, two very good reasons for launching new ventures in Hollywood at the onset of the Great Depression. Judged by his standards, existing venues were “pedestrian.” They lacked ambiance, glamor and sophistication. The second and most compelling reason was that people in the entertainment industry had money to spend – lots of it.

The inspiration for these Hollywood ventures came from his New York speakeasy triumphs during the Prohibition 1920s, and his many trips to Europe. Wilkerson’s beloved Parisian nightspots became the model for a string of highly profitable nightclubs, cafes and restaurants.

While the movie industry dominated the town, Hollywood’s social center was the fabled Sunset Strip, where stars went to see and be seen. Wilkerson’s nightspots – Vendome, Cafe Trocadero, Sunset House, Ciro’s, LaRue, and L’Aiglon – contributed much to the Golden Era’s dazzling glamor. During this magical time, Wilkerson became the nation’s most successful restaurant and nightclub impresario.



Wilkerson Archives

*Hob-nobbing with patron Cary Grant at Cafe Trocadero.  
Hollywood, 1934.*

The publisher preferred the suave and swanky to the colloquial. His tastes were distinctly European, rather than American.

“He brought Paris to Hollywood,” film director Joe Pasternak fondly remembered, “at a time when Hollywood was still eating sandwiches and drinking Coca Colas.”<sup>5</sup>

These Hollywood landmarks were to lay the ground-work for his most ambitious venture in the Las Vegas desert.

But the rambunctious, often ruthless visionary with the Midas touch was not without enemies. Wilkerson was as much hated as he was loved, as much a thorn in the side of

Hollywood as he was lionized. He was credited with the discovery of such screen legends as Lana Turner, but he destroyed just as many prominent careers. While he championed the cause of labor in Hollywood in the early 1930s, in the late 1940s he brought the industry to task for communism.

If Wilkerson's business life was turbulent, his domestic life was no better. A stubborn, driven man, he let nothing stand in his way when it came to profits. He was an insufferable workaholic, and he paid for his success with five failed marriages and poor health. As his second wife Edith Gwynn explained shortly after their divorce, "Billy's real mistress is his work."<sup>6</sup>

Being married to the overbearing publisher drove several of his wives to alcoholism. "He treated his wives like possessions," recalled fifth wife, Vivian Du Bois. "We were bookends on a mantelpiece, that's all."<sup>7</sup>

Above all, Wilkerson was a man riddled with paradoxes and contradictions. While he was the proprietor of some of Hollywood's greatest restaurants, cafes, and nightclubs, at home he usually dined on canned sardines on toast and deviled-egg sandwiches. And, despite five divorces, he remained a devout Roman Catholic his entire life.

Despite his high-profile profession, Wilkerson shunned the light of personal publicity. He was a private man, even a loner, and he preferred the company of his beloved French poodles to any wife or friend.

In every facet and area of his life the man was compulsive. Sitting at his desk, for example, he could consume an average of twenty Cokes and three packs of cigarettes daily. But just like his father before him, Wilkerson's greatest weakness by far was gambling. A lifelong "compulsive

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gambler” long before the term was coined, he regularly risked vast sums of money on the roll of dice. In the first six months of 1944, for example, he gambled away almost \$1 million, and came perilously close to bankruptcy. Joseph Schenck, then chairman of 20th Century Fox Pictures and a personal friend of Wilkerson’s, told him: “If you are going to gamble that kind of money, own the Casa.”<sup>8</sup>