

MB Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
Kendyl Biondich	1 st year	JD/MBA/CRM
Lucy Lin	1 st year	MBA
Prmeet Verma	1 st year	MBA
Nikita Tayal	2 nd year	MBA
Tyler Holsopple	2 nd year	MBA

Advisor(s): Megan Buchter

Topic Title: MGMs Big Bet on the House

Audience: MGM Board of Directors

Sustainable Development Goal

SDG #7: Affordable and Clean Energy - Ensure access to affordable, reliable, sustainable, and modern energy for all.

Executive Summary

MGM Resorts International is an entertainment firm ripe with opportunities to create a positive impact on our planet. The multinational business has a market capitalization of \$17 billion and consists of 31 hotels and gaming destinations globally, along with a diverse portfolio of golf courses, online gaming, and sports betting. Our team was tasked to identify pressing ethical dilemmas and recommend creative innovations for operations in response. Upon researching current activities and market trends, we discovered that electricity usage across multiple pillars of the business is wasteful and needs updated strategies. At MB Consulting, we recognize that it takes a two-pronged approach of both doing less harm (leaving less footprints) and doing more “good” (leaving more handprints) to make a global difference. The forthcoming plan of action is attainable with a short-term financial investment and will have long-term bottom-line savings that ultimately benefit all the shareholders.

The three areas of operations determined to be particularly wasteful for electricity are slot machines, neon lights, and ventilation equipment. It is reported that nearly \$100M is spent each year on electricity and irresponsible electricity consumption will enable toxic methane and carbon to be released into our atmosphere. Our recommendation is to implement energy efficient slot machines that are at no loss to the customer experience. Secondly, we endorse updates to signage that uses more efficient LEDs to save on marketing costs while minimizing electric output. Regarding ventilation, we assert that a change in smoking policy will reduce ventilation costs while simultaneously benefiting the health and wellbeing of MGM’s clientele.

We at MB Consulting recognize that MGM is in the business of making bets with the best odds. Our solution plays into this strategy by betting big on the benefits of efficient and responsible choices.