

# The Intelligent Gambler™

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## Publisher's Corner

Chuck Weinstock

Welcome to the *Intelligent Gambler*, ConJelCo's free newsletter which we attempt to send twice a year to our customers and anyone else who would like a copy. The more time aware among you will have noticed that this edition is nearly a month late. We delayed it so that we could announce the brand new, third edition of Lee Jones's *Winning Low-Limit Hold'em* (see page Page 5 for more information.)

Long time readers will recall that Nolan Dalla gave us a preview of his biography of Stu Unger in the 14th issue of the *Intelligent Gambler* published late in 2000. We're pleased to be carrying an excerpt from the actual book (below), co-authored by Peter Alson, which will finally be available this Summer.

One of the "holes" in poker literature has been books on small buy-in No-Limit Hold'em cash games. We're happy to be able to offer you *Mastering No-Limit Hold'em* by Russell Fox and Scott T. Harker. You can read material based upon the book beginning on page 2.

We also have another installment in our occasional series on the mathematics of poker by William Chen and Jerrod Ankenman as well as a piece by gambling protection expert Steve Forte on marked cards.

Finally ConJelCo is happy to announce that it is working with Roy Cooke and his collaborator, John Bond, to produce the definitive book of poker rules. *Cooke's Rules of Real Poker* will be available shortly after you receive this issue of the *Intelligent Gambler*. As a part of this arrangement we'll be revising and reissuing Roy's book *Real Poker II* later this Summer.

I hope you enjoy the diversity of this issue.

## The Last Game

Nolan Dalla and Peter Alson

Copyright © 2005. Printed by permission. Excerpted from the forthcoming book, *ONE OF A KIND* by Nolan Dalla and Peter Alson to be published by Atria Books, an imprint of Simon & Schuster, Inc. See the catalog to pre-order this book.

On November 11, 1998, 45-year-old Stuey Ungar, five-foot-five and barely a hundred pounds, charged across the shining marble floor of the Bellagio's grand entrance with a bounce to his step and a

wad of cash in his pocket. It would have been a real stretch to call him The Kid at this point, though from a distance his Beetle haircut and boyish frame still gave the impression of youth. Up close, he looked like what he was; a longtime drug addict whose excesses were now written in his face. The ravaged nose was the most disturbing feature, one side of it deflated like a bad flat tire.

Still Stuey was excited to be making his first foray into the Las Vegas' newest and most spectacular hotel. It was a different world than the one he had arrived in thirty years earlier, when the town was mostly run by the mob. But at the heart of it, no matter how it was dressed up or presented, no matter how corporate it might have become, or how much like a theme park, the blood that pulsed through the veins of Vegas was still gambling blood.

Stuey walked into the poker room, where he met up with Mike Sexton. The two of them briefly discussed what game Stuey should play. Sexton knew how badly Stuey needed to hang onto the money that Baxter had given him for a little while if he was going to have any chance of getting back on his feet. "Don't blow it all in one big game," Sexton cautioned him. "Start off playing \$200-\$400 limit." Even in the shape he was in, Stuey's ego prevented him from thinking that small. He wanted to play in the biggest game around.

"What about no limit?" Sexton offered. "That's your strongest game. What if we got a no-limit game going?"

Stuey agreed that made sense.

"This was before no-limit was played widely in cash games the way it is today," Sexton recalled. "It was still unusual to get a no-limit cash game going. Plus, as Stuey pointed out, who was going to want to play no-limit with *him*?"

Erik Seidel, the former stockbroker turned poker pro and the runner-up to Johnny Chan in the 1998 WSOP, was sitting across the room, playing in what he termed a "very good Omaha game." He got up and walked over to say hello to Stuey. In the course of talking, Stuey mentioned that he was interested in playing no-limit, and Seidel said he'd consider playing a \$5,000 head's-up freezeout.

"There's nobody in the world I wouldn't play head's-up against," Stuey said "But your one of the few that would give me a tough time. I'll tell you what, I'll give you a hundred bucks to play me."

It was pure, classic Stuey bravado. Seidel laughed, thinking that even though Stuey had lost some of the spark he'd once had, there was a hopeful feeling seeing him there that day. "Like maybe he could give up the drugs. Like maybe he really was back and this could be another chance."

In the end, Seidel decided he didn't want to get up from the game he was in just yet. But as soon as he walked off, Stuey and sexton looked around and saw Melissa Hayden, one of the strongest women poker players in the world at that time. Sexton said, "You want to play a freeze-out?" and Hayden said, "Sure."

Sexton laughed and said to Stuey, "See, you've been out of action so long you got girls that want to play against you."

The cardroom manager found Stuey and Hayden an empty table and set them up with a dealer and chips. Melissa wanted to start off with a \$2000 freezeout, but Stuey insisted it be \$5000, and she finally agreed.

He sat down in the expensive swiveling upholstered seats and watched the dealer fan a deck across the felt face up. Stuey reveled in the moment: the nonstop musical chatter of the chips being shuffled, bet and dragged, was as soothing to him as the sound of an ocean wave, a bubbling brook. He was back in action.

The game started with \$25 and \$50 blinds. Hayden, a tall, attractive red head, who had been a professional photographer back in New York before moving to Las Vegas to concentrate on poker, recalled that "Everyone who knew Stuey was concerned about him. There was a feeling of wanting to protect him."

That noble sentiment didn't stop Hayden from trying to beat Stuey's brains in. In fact, forty-five minutes after they began, Hayden had won every chip on the table. Someone from the high-limit table next to them, said, "Aw, Stuey, letting a girl beat you."

"When the guys said that," Hayden recalled, "Stuey leaned over and whispered to me, 'Don't let them get to you. Don't ever let them get to you. That guy's a piece of shit.'" and he was. He was a guy who was known to have beaten up his girlfriend. I mean, you had to know Stuey to really appreciate what a gentleman he

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of a buyin over the field at the beginning of the tournament. Calculating C for Player B:

$$1.75/250 = C^{\log_2 250}$$

$$C = .5364$$

Now we can calculate the equity of the three scenarios:

If B calls and wins, he will have 6075 chips, or 4.05 starting stacks.

$$E = .5364^{\log_2(250/4.05)}$$

$$= .024603 \text{ buyins.}$$

If B calls and loses, he will have 0 chips and have 0 equity.

If B folds, he will have 2050 chips, or 1.36667 starting stacks.

$$E = .5364^{\log_2(250/1.36667)}$$

$$= .009269 \text{ buyins.}$$

So B's equity from calling is  $.024603 * .36$ , or  $.008857$  buyins. Comparing this to B's equity from folding, we find that the call is actually *incorrect* given B's skill edge over the field.

Another result that can be easily derived from the Theory of Doubling Up include the "coinflip" problem—what chance of winning do you need to accept a coinflip for all your chips on the first hand? Since  $E_0 = C^N$  at the start of the tournament, if you call and double up, your equity becomes  $E_1 = C^{N-1}$ .

If you take a coinflip with chance of winning  $W$ , then your equity becomes  $WE_1$ . If you decline then your equity is  $E_0$ . Setting these things equal, we get:

$$C^N = WC^{N-1}, \text{ or } W = C.$$

So you are indifferent to accepting a coinflip if your chance of winning the coinflip is equal to  $C$ . Yet consider that many players have a stated preference that they would decline a QQ vs AK (57-43) confrontation in the early tournament. By applying the Theory of Doubling Up, we can find out something about what these players believe their equity in, for example, a 250 player tournament to be.

$E = C^N = (.57)^8 = .01114$ , or about 2.85 buyins per tournament. In order for it to be correct to decline a 57-43 confrontation with no dead money in the pot, one has to have nearly three times the average equity in the tournament. Our observations lead us to believe that having such a win rate in a typical tournament is extremely unlikely.

Another interesting effect of the Theory of Doubling Up is what it indicates about players with negative expectation. Of course our readers are all winning players, but nevertheless, the mean result of all players in a tournament is to lose the entry fee, so someone must be losing. The Theory of Doubling Up, then, indicates that losing players should be willing to commit their chips even in marginally bad situations. This is a result of the idea that losing players should encourage variance, as it is their best chance to win. The more that other players get a chance to apply their skill, the worse off the los-

ing player will be. Hence they should be willing to commit all their chips in zero-EV situations or even slightly bad ones.

#### Summarizing:

At the beginning of the tournament, each player has a chance of doubling up  $C$ , which is related to his *a priori* overall equity  $E_0$  in the tournament by the following equation:

$$E_0 = C^{\log_2 P d}$$

where  $P$  is the number of players in the tournament.

Then from any stack size  $S$ ,  $C$  needs to double his stack a certain number of times in order to have all the chips.

$$N = \log_2 (P/S)$$

And finally, for any stack size,

$$E = C^N.$$

These equations can be utilized to estimate tournament equity on a skill-adjusted basis.

#### Marked Cards

Steve Forte

Very little quality information has been written about the science of marked cards as they relate to casino scams. Marked card scams are some of the most successful scams ever perpetrated.

The history of marked cards is fascinating, colorful, and surprisingly relevant. Almost every system ever invented could still surface today. That goes for any playing card, in any casino, anywhere in the world. While the quality of playing cards has improved, the application and goals of these scams have changed little. Cheaters are still trying to get information about when to hit, stand, or bet more in blackjack, which side to bet in baccarat, and their opponent's holecards in poker.

#### Short History

Early playing card were inherently imperfect, being handmade, handpainted, and later, printed by engraved wooden blocks. When playing cards were first used for gambling purposes, inconsistencies in paper, color, and back design must have been a way to ascertain the card's value from the back. Maybe early playing cards were just as distinguishable from the backs as they were their faces. No doubt, many shrewd gamblers exploited the opportunity.

The first marked card scam almost surely occurred shortly after playing cards evolved from an object used for divination to the primary tool, core, and essence of all card games. Early marked cards were referred to as "readers" or "paper", and the latter term is still used today. Cheaters who specialize in playing marked cards are said to be "paper players".

The earliest back designs were plain or overall white, and they were not glossed or varnished. Some of the earliest systems involved marking these unfinished cards with lines of varnish, each line in a different direction to denote the card's

value. Another early technique was to take a rag stained with black lead and polish the entire back, making it slightly darker in shade to the unpolished cards. Later, when manufacturers put on a finish, lines of wax were used, or the card was polished with a smooth object or thumbnail. Reading these types of marks was facilitated by letting the light shine off the back of the card and looking for the reflection.

When embossing became a standard manufacturing procedure, some unscrupulous makers would emboss at different angles, enabling the cheaters to read the grain. The fad soon disappeared due to the economics, and besides, there were better methods for marking the most popular brands.

Not all marked decks are intentional. Occasionally, the manufacturer errs and produces a factory defect. One early source, in the late 1800s, suggested that with new decks, by feel alone, the court cards were identifiable under certain conditions. When the humidity was high, an element in the color of the court cards became adhesive. If one applied constant pressure during the dealing action, the discrepancy could be felt. An interesting early reference to a contemporary marking system where the marks are not read by eye, but by touch, that will be discussed later.

#### Steamboats

With a plain, white overall back, it was argued that any smudge, dirt, or grease was easy to spot, so standardized back designs started to take form. Overall back designs were obvious improvement, consisting of grids of daisies, diamonds, and other small shapes. Others believed that a design made of repeating, intersecting thick and thin lines would better protect the backs of the cards. This design was known as the plaid back, and became the most popular back during the steamboat era. As one would expect, methods of marking these backs were quickly developed and the Steamboat back became enormously popular with the sharper.

Even with overall back designs, other issues surfaced. The card had to be cut perfectly to ensure that the design's positioning was consistent. But this was rarely the case. The cutting process was less than perfect and, invariably, design variance enabled the cheaters to take the high cards from unevenly cut decks, and sort them with the low cards from evenly cut decks. This marking system is known as "sorts", and the method hasn't changed a lick in over two hundred years. The very same variance still exists today, even with our technologically advanced manufacturers.

To address these issues, borders were introduced, first, by simply avoiding the edge with the printed design, then second, adding a printed border. It eliminated a few of the hustler's tricks, but not nearly enough.

## Stamped Decks

For a short time, factory marked decks, known as "stamped decks" or "mechanical decks", were the cheater's best friend. Now, some of the problems associated with hand marked decks, such as the difficulty of matching the ink and restoring the finish, were eliminated. The ink matched perfectly, there was absolutely nothing abnormal in the finish, yet they were still easy to detect.

Some firms specialized in reproducing another maker's brand with their own factory marked backs. When it came to the ace of spades, they would reproduce all of the ace except for one small detail—the manufacturer's name was removed. Sometimes it was replaced with another part of the design, or it simply said "American Manufacture", or some other generic label. Duplicating the maker's name was apparently too far to go. Just think, in many card games across the country at any one time, the key to detecting marked cards may have been staring the players right in the face, the omission of the genuine maker's name on the ace of spade.

Theo DeLand was an unsuspecting contributor to this development. An engraver by trade, Mr. DeLand loved magic and used his talent to create some very sophisticated marked decks. He only wanted to fool his friends and market his deck to other magicians. It was just a question of time before his passion fell into the wrong hands. The DeLand decks were being used by cheaters everywhere, and when it was brought to his attention, he destroyed all the plates in disgust.

## Crooked Supply Houses

Back in 1860, there were just a few crooked gambling suppliers selling marked cards, as well as every other conceivable cheating device. Fast forward to the 1950s, and hundreds of crooked gambling supply houses in every big city were selling hundreds of thousands of marked decks annually. Either every magician in the world was using a marked deck to perform miracles, or card players everywhere were up against more than they suspected. The most popular systems were "blockout", "trims", "strippers", and "sorts".

New legislation in 1961 (the Johnson Act) regarding the interstate transportation of gambling equipment, closed most of these businesses. An owner of one of these stores once told me, "I had more FBI agents in my shop than customers." Today there are only a few companies selling marked cards "on the sneak", and always accompanied with the disclaimer, "For entertainment purposes only." Some very sophisticated work is still available from underground sources.

*Steve Forte is the foremost authority on casino game protection. This article was an excerpt from his Casino Game Protection, a Comprehensive Guide, and used with his permission. The book is available in*

*our catalog and is certain to become a (limited distribution) classic.*

## A Sea Change

Lee H. Jones

Five years ago, when I wrote the second edition of *Winning Low Limit Hold'em*, I was fairly sure it was going to be the last edition of the book.

There were some changes and improvements I wanted to make, but once those were put in, I thought I'd said pretty much everything I had to say on the subject.

How wrong I was.

First, online poker took off at an unimaginable pace. Starting as an experimental laboratory for a few hardcore players, it rapidly grew into a worldwide phenomenon. It was embraced not only by existing poker players, but it actually began to bring in people who had never played poker in casinos before (yes, this is foreshadowing).

It was fascinating to watch this growth from the perspective of an author, because the center of mass of sales actually moved. Traditionally, my book had been sold mostly through gambling book outlets – Gambler's Book Club, the Gambler's General Store, and of course my fine publisher, Conjelco.

As mainstream America logged on and got dealt in, the big retailers such as Barnes & Noble and Amazon.com began to move more copies. I remember seeing the book in a small independent bookstore in North Carolina and thinking, "Wow, I've hit the big time."

Then came the WPT and Chris Money-maker, and everything we knew about poker was wrong. Suddenly we were selling as many books in a quarter as we used to sell in a year. Then there was the month in 2004 when we sold as many copies of WLLH as we'd sold in 2000. And of course, online poker exploded, and it became clear that the core of my readership was not playing \$3-6 at Bay 101, the Mirage, or the Commerce. No, they were playing \$.50-\$1 or \$1-2 in Boise, Baltimore, or Berlin.

The other major change was the huge resurgence of no-limit hold'em. I'd actually played a fair amount of no-limit in cash games in the smaller San Francisco Bay Area clubs – I still have fond memories of the Cameo and Wagon Wheel. But it was a game limited to such small venues and the large tournaments. Now everybody watching the WPT and the WSOP on TV wanted to play; after all, Mike Sexton told us that no-limit hold'em was the Cadillac of poker games!

It became clear that I needed to write a third edition of *Winning Low Limit Hold'em*.

In one of my smarter moves ever, I enlisted Barry Tanenbaum's help. Barry has been a friend of mine since we got to know each other at BARGE and Garden

City. He worked his way up from the \$2-4 games at Garden City and is now a fearsome pro, making a good living playing in one of the toughest hold'em games in the world—the \$30-60 at the Bellagio in Las Vegas. The unusual thing about Barry is not only does he play well, but he can describe *what* he does and *why*—an ability that's rare among the best practitioners in any field.

I asked Barry to grab a copy of WLLH and a pen and start marking. And mark he did, leaving red ink on most of the pages. An improved tactic here, a better explanation there. Move this section. And in some cases: "I *hate* this – it produces leaks!" I listened, contemplated, argued, and (usually) eventually agreed with his recommendations. There are still some things in the book that he would prefer I didn't have in there, but Barry has left an indelible mark on the new text. And it is much improved by his effort.

I now believe that, with Barry's assistance, I've produced the best primer for low and low-medium limit hold'em.

But what about this fascination with no-limit hold'em? A thorough treatment of deep stack cash no-limit tactics would fill an entire book (and such books exist). And it's not even my area of expertise. However, a wildly popular version of the game is the "Sit and Go," a no-limit hold'em *blitzspiel* involving one to three (and now four or five) tables. Everybody sits down, the cards go into the air, and within an hour or two it's all over. Next! This format has taken the Internet by storm and is even now appearing in the "side game" areas of major tournaments.

I had been playing quite a few of these and found them to be extremely profitable. And in discussions with friends, I discovered that I knew people making their living playing online sit-and-go tournaments.

I had my new topic for *Winning Low Limit Hold'em*.

I don't want to give away the details here (I want you to go buy the new edition), but I consider the sit-and-go section to be groundbreaking. To my knowledge, there's nothing else like it in print. I am persuaded that playing sit-and-gos can be as profitable as cash games, if not more so, and the new edition of WLLH tells you how to extract those profits.

To tie it all together, Chuck hired a brilliant editor named Sarah Jennings, who untwisted sentences, and demanded prose that she, a newbie to poker, could understand. Melissa Hayden, a noted poker player and a wonderful graphic designer, gave us a whole new cover. After ten years of our staid (my wife uses the word "boring") cover, I was initially overwhelmed by Melissa's vibrant design. But it got immediate raves from all who saw it, and it grew quickly on me.

I have been gratified over the years by the number of people who have praised my little book, and especially tickled when