

For casino chip collectors, an unwelcome jackpot

It will go down as one of the greatest finds in the history of casino chips.

The discovery of a subterranean trove of chips from the defunct Playboy casino in Atlantic City, N.J., has suddenly connected a tiny Mississippi town to the gambling capital of the East, prompted an investigation by authorities in New Jersey and led to a crisis in the high-stakes world of chip collecting.

It all started April 14 — fittingly, the anniversary of the opening of the Playboy Hotel & Casino 27 years ago. The place was Hernando, Miss., 1,083 miles from Atlantic City. The occasion was the construction of a community center on the former site of the Green Duck Corp., once a manufacturer of slot machine tokens and, some say, a destroyer of casino chips.

A work crew was digging a path for a sidewalk to the community center when it hit the jackpot: tens of thousands of bunny-themed chips buried beneath a massive slab of concrete that, by one account, was 4 feet wide, 8 feet long and 4 feet thick.

Immediately, people started scooping up handfuls as souvenirs. The police chief took a bag. The mayor grabbed a set for City Hall.

Then someone started calling dealers and checking the going rates for Playboy chips on eBay. The USD 1 chips were fetching USD 10 to USD 20; the USD 100 chips, rarest of all, had a book value of USD 3,000.

That changed everything.

Residents and even police officers came for some. Thousands of chips went up for auction on eBay, flooding the market. Overnight, the value of the chips — coveted by collectors of casino and Playboy memorabilia — plummeted.

That USD 100 chip? “It’s not worth much of anything now,” says chip dealer Ricky Pushkin.

As Hernando Mayor Chip Johnson put it: “Hernando, Mississippi, has affected a currency market nationwide.”

To New Jersey, the discovery posed a more serious question: Why had chips that were supposed to be destroyed by Green Duck more than 20 years ago been buried instead?

Peter Aseltine, a spokesman for state Attorney General Anne Milgram, said authorities have opened an investigation.

Former Green Duck officials could not shed any light. Phyllis Seidel, a former vice president, recalled the company getting the contract to destroy the Playboy chips. The company would chop them, extract the metal and sell it. She said she was stunned to hear they were buried.

Former Green Duck owner Elliot Sklar denied the company destroyed any casino chips, let alone bury them.

“I can assure you I was not involved,” Sklar said.

The discovery has New Jersey casino regulators scrambling to find records they are no longer mandated to keep, and may no longer exist.

Casino Control Commission spokesman Dan Heneghan said he could not say how many chips were sent to Mississippi, just that they were shipped to Green Duck in 1985, after the Playboy casino had been sold and renamed Elsinore's Atlantis.

A few years later, Sklar sold Green Duck to a British company, which eventually ceased its Hernando operations. The building, owned by the town, stood vacant until officials went to court to break its lease. Hernando moved its Police Department and Courthouse there three years ago and started building the community center last year.

Casino chips were the last thing on anyone's mind when the crew went to build the sidewalk connecting the Police Department to the center, Hernando Police Chief Michael Riley said.

"Everybody exaggerates a little bit, but they didn't do it justice," Riley said of the discovery beneath the concrete. "This was huge."

City officials called the Mississippi Gaming Control Board and asked what to do. They were told the chips no longer had any value because the casino was closed. But residents, suspecting otherwise, came with tubs and five-gallon buckets to cart chips away.

As the Playboy chip market crashed, another avenue for quick cash closed. New Jersey officials said the Mississippi chips cannot be redeemed through the special fund that was set up after the Atlantis closed in 1989.

It isn't that the state doesn't have the money. New Jersey set aside nearly USD 1 million to redeem outstanding casino chips — USD 450,000 for Playboy chips — and only USD 12,000 has been paid out so far.

Heneghan said the fund was set up for former patrons or employees, who often received chips as tips, to redeem after the casino closed. The chips sent to Mississippi were "clearly intended to be destroyed," he said.

Anyone who wants to redeem their Playboy chips will have to swear the chips were not part of that stash.

"Under threat of perjury, they will have to sign an affidavit saying it did not come from this hole in Mississippi," Heneghan said.