

Promoting Post-War Las Vegas: The Live Wire Fund, 1945-1950

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Abstract: Late in World War II businessmen in Las Vegas, Nevada began planning for the post-war economy. The 25,000 civilian and uniform employees of the Las Vegas Gunnery School and Basic Magnesium, Incorporated had contributed to the rapid growth of the desert community, but both would close at war's end. Concluding that neither mining nor ranching could replace the income soon to be lost, but understanding that Americans were eager to travel after four years of war, the Las Vegas Chamber of Commerce implemented a Live Wire Campaign. This promotional effort, initially managed by three different advertising and publicity firms, made Las Vegas known throughout the nation as a sunny, relaxed resort town amid remarkable scenery. More importantly, the promotional campaign attracted record numbers of tourists.

Introduction

Near the end of World War II businessmen in Las Vegas began planning for the post-war economy. Much of the town's prosperity had been built upon the payrolls of the thousands of civilian and uniform employees of the Las Vegas Gunnery School and Basic Magnesium, Incorporated. Realizing that both would soon shut down, community leaders scrambled to replace the income derived from the payrolls of those employees. Knowing that Americans had accumulated substantial savings during the war and likely were eager to spend, notably on tourism, the Las Vegas chamber of commerce developed a promotional campaign to make Las Vegas better known as an appealing tourist town. The chamber asked each business to contribute at least one per cent of its gross income to a promotional fund. The resort hotels pledged to match whatever the rest of the community could raise. Although the chamber did not quite its goal of \$100,000, the \$84,000 raised in 1945 represented about four dollars per capita, the highest figure for a promotional fund by any community in the country and the fund increased to well over \$100,000 over the next decade. Contributing businessmen gained the label of "Live Wires" as a way to acknowledge them as forward looking community leaders. The promotional campaign not only brought in an increasing number of tourists, but it also made Las Vegas a household name throughout the nation and helped counter the image of the resort community as "Sin City."

Background

For the previous decade and a half, Las Vegas had benefitted from substantial federal spending, what historian Eugene Moehring has called the "federal trigger." Federal funds for the construction of Boulder Dam, the establishment of the Las Vegas Gunnery School, and the

construction of the massive Basic Magnesium plant to process magnesium for plane fuselage components and bomb casings in nearby Henderson led to the employment of thousands in the 1930s and early 1940s (Moehring, 2000: 13-40; Nickel, 2004): 306-307). The rapidly approaching end to World War II and an expectation that the BMI plant and the gunnery school would close prompted many in the community to worry about the post-war economy of Las Vegas (Kaufman, 1974: 113; *Las Vegas Review-Journal*, April 25, 1976). City leaders had experienced a similar concern following the completion of Boulder Dam in 1935. The roughly 5,000 dam workers had spent a good bit of their monthly payroll of \$750,000 in Las Vegas on gambling, meals, and prostitutes (Gragg, 2006: 84). Some predicted “decline and disaster” for the community with their departure (*Las Vegas Age*, September 25, 1936). In 1944, the impending loss of over 12,000 personnel at the gunnery school and 13,000 workers at BMI posed a profound challenge to a Las Vegas that had more than doubled in population during the war years to 20,000 (Nickel, 2004: 307-308; Kaufman, 1974:112).

The Livewire Campaign

Las Vegas leaders in 1944 took their cue from the chamber of commerce’s efforts of the 1930s which focused upon tourism as a way to replace federal spending in the area. The chamber, along with the local newspapers, the junior chamber of commerce, the Elks club, and the Rotarians, successfully promoted Las Vegas as a convenient place for marriages and divorces, a place to see vacationing movie stars, as a hub for seeing the area’s scenic wonders, and as an appealing locale for small conventions all in an atmosphere that promised to recreate the frontier spirit of the Old West. The collective endeavor produced excellent results. In 1930, 125,000 people visited Las Vegas, by 1939 that number had almost quintupled (Gragg, 2006: 83-106).

While they considered boosting ranching, mining, and manufacturing in southern Nevada, fairly quickly chamber leaders, during the mid-1940s, concluded, as they had in the 1930s, that the city’s best hope lay in tourism. While many people played important roles, Maxwell Kelch undoubtedly was the most influential individual in the Live Wire Fund’s early years. After moving to Las Vegas from California Kelch had established radio station KENO in 1940 which he had used to promote tourism. Elected president of the chamber in 1944, he persuaded the members of the necessity of aggressively promoting their community as a resort center. He later recollected that community leaders believed it was a “very real possibility that Vegas would revert back to its original status as a one-horse whistle stop on the Union Pacific Railroad” (*The Nevadan*, 1976: 6).

Upon assuming the presidency, Kelch, worked closely with William Moore of the Hotel Last Frontier who served as the chamber’s publicity committee chairman. The two argued that Las Vegas needed a more effective publicity and advertising campaign. They had to counter the pessimism of merchants over the drop in retail sales since 1941. Because of declining revenue several of the merchants had little interest in contributing to an expensive promotional campaign. Kelch argued that with the imminent loss of federally funded jobs and poor prospects for mining in southern Nevada, “we must look to the tourist industry for the future” (Chamber of Commerce Minutes, Aug. 29, 1944: 583). To convince reluctant members, Kelch invited a number of speakers to speak at chamber meetings in spring and summer 1944. Jean Bascon, publicity

director of the very successful All Year Club of Southern California; Ben Lawshe, an official with the U.S. Chamber of Commerce; and F.J. Connolly, president of the Associated General Contractors of Southern California, collectively told chamber members that in a challenging post-war economic reconversion, tourism would be critical; that southern Nevada had much to offer tourists, notably the natural beauty of the region; and that Kelch's plans for promotion were appropriate for Las Vegas because their recent past had featured a good tourist business and, through this plan, the city would "get more of it in the future" (Kaufman, 1974: 113-114; Chamber of Commerce Minutes, May 23, 1944: 551-552 and July 21, 1944: 568-569).

Kelch's approach won over most chamber members who agreed to contribute between one and five percent of their gross income to a Live Wire Fund, a name meant to signify that the contributors were the Las Vegas Live Wires. In the first year, chamber members with a match from the hotels and casinos, raised \$84,000 (Evans, 1999: 144; *The Nevadan*, 1976: 23). While this fell short of the \$100,000 Kelch had proposed, it was not because of a lack of effort or the absence of press support. Both the *Las Vegas Review-Journal* and the *Las Vegas Age* enthusiastically endorsed Kelch's Live Wire Fund. As Charles "Pop" Squires, the long-time editor and owner of the *Age*, wrote, all businessmen should join in the campaign "to spread the fame of Las Vegas to every part of the country in preparation for the vast surge of travel which the end of the war will start" (*Las Vegas Age*, February 18, 1945; *Las Vegas Review-Journal*, January 31, 1945). As they raised the funds, chamber members considered various promotional schemes including adding nine holes to the golf course, encouraging developers to maintain a western atmosphere in their properties, and inviting four prominent physicians to Las Vegas and having them issue a statement about the area's healthy climate (Chamber of Commerce Minutes, September 12, 1944: 587-588; November. 13, 1944: 615; and January 8, 1945: 644). Chamber members also journeyed to Los Angeles for a meeting of delegates from Trans World Airlines, Western Airlines, the Union Pacific Railroad, and other travel representatives to plan "wide spread publicity campaigns to direct travel to southern Nevada" (*Las Vegas Review-Journal*, February 15, 1945).

Their primary approach, however, was to implement an idea that Moore and Kelch presented to chamber members in March 1944. They argued that the chamber should "retain the services of a top-notch advertising and publicity concern to promote southern Nevada . . . along the same lines as southern California" (*Las Vegas Review-Journal*, March 14, 1944). As their comment illustrates, Kelch and Moore were aware of the successful promotional efforts of other communities in Florida and Arizona as well as in California to capture part of the twenty million Americans that auto clubs in Chicago and California predicted would take "extended postwar trips" (*Las Vegas Review Journal*, February 24, 1945). With a clear sense of urgency, the chamber invited bids from advertising agencies. The J. Walter Thompson Company won the 1945 contract and immediately began placing advertisements in national magazines and newspapers and it planted ideas for articles about Las Vegas with columnists across the country. John Van Zandt, publicity director for the Thompson agency, explained their approach for Las Vegas in a September chamber meeting. The area had much to offer, "the frontier atmosphere, which is of utmost importance; scenic beauties, which are unique in their variety; and Boulder dam, which has a terrific tourist lure and a great potential for bringing more and more travelers here" (*Las Vegas Review-Journal*, September 12, 1945). In November, the agency reported the

publication of almost 350 articles in periodicals with a total circulation of over sixty million. By spring 1947, Maxwell Kelch could boast that “more than 125 million people” had read advertisements for Las Vegas in major national magazines (*Las Vegas Review-Journal*, November 5, 1945 and April 7, 1947). Yet, Kelch and the other chamber leaders concluded that the Thompson agency devoted too little time to their account and Jack West, the head of West-Marquis which was the firm that succeeded J. Walter Thompson, argued that the Thompson agency had taken the wrong approach by focusing upon national advertising. They were “trying to draw people from too far a distance to be economical” (Perry Kaufman Collection) and West argued that the focus needed to be regional with a special emphasis upon California.

When West-Marquis won the advertising contract they immediately sought to give Las Vegas a specific identity, or brand of a destination that would remind visitors of the Old West in a sun-drenched resort setting. Hoping to persuade potential tourists that Las Vegas would make a family vacation locale, West-Marquis focused upon billboards in the southwest and placing promotional material in over three hundred travel agencies along with advertisements on the West Coast (Perry Kaufman Collection; Kaufman, 1947: 129). Typical of their work was a 1948 brochure that claimed, “Las Vegas is truly the meeting place of the old and new West, the smart playground of Hollywood and New York, the world’s greatest combination of fun and sun” (Kaufman, 1974: 129). Jack West also persuaded members of the chamber to go on speaking junkets to San Francisco, Portland, Seattle, and other western cities selling the virtues of the desert resort city and he began a promotional tradition in Las Vegas by inviting travel editors from across the country to town on Trans World Airlines “Quickie Vacations.” Working with the resort hotels, West made sure the editors got the royal treatment—rooms, meals, cocktail parties, and seats to the floor shows. Perhaps most significantly, West came up with an iconic smiling cowboy named Vegas Vic, who graced all the promotional stationary, welcoming the reader with a friendly “Howdy Podner!” (Perry Kaufman Collection; Kaufman, 1974:141). While West-Marquis handled advertising, Ruth Lusch, a chamber employee, was responsible for publicity. She assisted visiting journalists and travel writers and provided copy and photos for an ever larger number of newspapers and magazines (*Las Vegas Review-Journal*, April 9, 1947 and August. 11, 1947; Chamber of Commerce Minutes, August 11, 1947: 2 and November 10 1947: 2). A reporter for the *Syracuse Post-Standard* described Lusch, “a former newspaper gal,” as someone who made “it her business to seek out all invaders who are newspapermen and escort them around town—veering away from too much attention on the gambling places” and directing them to other aspects of the community the chamber hoped to stress (*Syracuse (NY) Post-Standard*, September 5, 1948).

As West-Marquis developed an effective advertising campaign, George Ashby, the president of the Union Pacific, called a meeting with chamber members and offered to pay half of the fees if the city secured the services of the publicity firm of Steve Hannagan and Associates. Hannagan, had successfully promoted Miami Beach, the Indianapolis Speedway, and Coca-Cola. Ashby highly recommended Hannagan because of the latter’s successful publicity efforts for a major tourist stop on the Union Pacific, Sun Valley, Idaho. Hannagan, “a brainstormer, promoter, and nonstop talker,” had persuaded Union Pacific officials that he could make Sun Valley a top tourist attraction by making “every newspaper and magazine reader, every theatre goer, every radio listener conscious that there is a great winter sports resort” in Ketchum, Idaho and he had

succeeded (*The Nevadan*, 1975; Abramson, 1992: 225-226). When he met with the chamber's board of directors in May 1948, Hannagan explained the approach he would take in publicizing Las Vegas. Avoiding the obvious, gambling and divorce, because the "obvious things will take care of themselves," Hannagan announced an approach that would emphasize "what God has given you and that which man has enhanced," that is, the natural beauty of the area, along with Hoover Dam and Lake Mead (Chamber of Commerce Minutes, May 20, 1948: 2-4).

To exploit them fully, Hannagan established a news bureau in Las Vegas in 1949. Calling it the Desert Sea News Bureau (a reference to Lake Mead), Hannagan put in place a critical office for the promotion of Las Vegas. Besides a bureau chief, there were three writers and three photographers. Bureau staffers worked to saturate the nation's media with photos and copy to make Las Vegas a household name. Besides pushing the Hannagan formula of promoting area scenic attractions, publicity in the bureau's earliest years, in the words of Don English, its most gifted photographer, consisted essentially of three things: "hometowners, cheesecake, and stars" (Perry Kaufmann Collection). Because most Americans did not have swimming pools, the photographers often began their days with a "hometown" run to the resort hotels (El Rancho Vegas, Hotel Last Frontier, Flamingo, and Thunderbird) along the famed Las Vegas Strip looking for couples they could photograph. They wanted to capture images of average Americans enjoying themselves at a resort pool and, with the couple's permission, send the photo to the society editor of their hometown newspaper. Photographers also used almost any excuse to send to all media markets "cheesecake" photos. These pictures of attractive young women in swim suits or alluring costumes, characterized by bureau staffer Art Force as a "constant flow of cheesecake going out," always captioned with a Las Vegas dateline, were intended simply to capture the readers' attention (Perry Kaufmann Collection). The resort hotels also called upon the bureau photographers to blanket the nation with pictures of entertainers who were performing in their showrooms and lounges. Moreover, as photographer Joe Buck noted, comics, singers, and television and movie stars "were brought up here for publicity and gimmicks." Taking photos of stars "was an attempt to create the belief that if you came here you might be able to rub elbows with the movie stars" (Perry Kaufman Collection).

The Desert Seas News Bureau, later named the Las Vegas News Bureau, also provided copy and research on Las Vegas to newspapers, magazines, radio, and television. For many years, for example, it sent travel packets that included four or five stories with photos about area attractions, the Strip and downtown, and cheesecake, every four months to news outlets across the nation (English, 2005). Bureau staffers saw these types of photos as crucial in persuading Americans that Las Vegas was a relaxing, luxurious, exciting, and fun place to vacation. They did this to counter the image of Las Vegas as "Sin City." One of the challenges facing the bureau was the decidedly negative image many Americans had of Las Vegas following the murder of Benjamin "Bugsy" Siegel in Beverly Hills, California in 1947. Siegel, who had opened the Flamingo casino in December 1946 and the hotel a few months later, was deeply in debt to "Syndicate" financiers including his boyhood friend Meyer Lansky. While the identity of Siegel's assassin remains unknown, most contemporaries assumed the killer was acting on orders of the "Syndicate." Regardless of who pulled the trigger, Siegel's death caught the attention of newsmen across the nation. As *Time* magazine explained, "the tabloids of Manhattan, the sensational papers of Los Angeles and, to a lesser degree, papers all over the U.S. played it high,

wide & handsome” (*Time*: 59). Inevitably, the stories mentioned Siegel’s link to Las Vegas. For the next several years, there were hundreds of stories reporting the connections of organized crime to Las Vegas. By 1955, the nation’s periodicals were claiming that the city’s casinos had become “hood-ridden war fronts that might flare into open battle at any moment” (Best and Hillyer, 1955: 80).

There are various measures of the success of the post-war Livewire Campaign. First, tourists’ inquiries to the chamber office jumped markedly from the beginning of the campaign (*Las Vegas Review-Journal*, April 9, 1947; Kelch). Second, journalists in Nevada and across the nation praised the chamber’s effort. Adjectives like “alert,” “active,” “energetic,” and “enthusiastic” filled the articles about the civic organization’s promotions. The *Long Beach Independent*, for example, complimented the chamber for having the wisdom to hire the aggressive and successful Hannagan and Associates, an organization whose staff, “meet all movie actors and actresses even before they step off incoming trains and planes” (*Syracuse (NY) Post-Standard*, September 5, 1948: 31 and December 9, 1948: 9; *Long Beach (Ca)Independent*). Third, through the Thompson agency’s placement of advertisements and the publicity efforts of the chamber and the Hannagan agency, Las Vegas appeared ever more frequently in major national magazines and newspapers. Between 1945 and 1950, advertisements and favorable stories appeared in *Time*, *Newsweek*, *Business Week*, *Saturday Evening Post*, *Holiday*, *Coronet*, *Cosmopolitan*, *Pageant*, *Esquire*, *Billboard*, *National Geographic*, *Life*, *Look*, and *Colliers* as well as newspapers in New York, Chicago, Philadelphia, Los Angeles, San Francisco, Phoenix, Salt Lake City, and a host of other cities, particularly in California. In 1949, the chamber newsletter claimed particular high marks in publicity. In March, it noted that an article in *Esquire* had selected Las Vegas, along with Hawaii, as the magazine’s “first choice for a top-notch vacation.” This clearly was “one of the finest bits of promotional publicity we’ve had the pleasure of seeing and cannot help but result in tangible results” (Chamber Newsletter, March 10, 1949; Kelch). Four months later, the newsletter reported on a very favorable article in the *Detroit Sunday Times* which included photos and copy furnished by Steve Hannagan’s staff. The article included photos of Hoover Dam, Lake Mead, Bryce and Zion National Parks, and a resort hotel and described Las Vegas “as the liveliest resort town in America today, and one which offers the most for the tourist dollar” (Chamber Newsletter, July 14, 1949). In the first ten months of 1950 alone there were 131,000 inches in newspapers and magazines devoted to Las Vegas and southern Nevada. Given this success, the *Las Vegas Review-Journal* proclaimed, “Through the mediums of radio, magazines, newspapers, travel folders, and billboards, this area has become the leading mecca of relaxation and fun” (*Las Vegas Review-Journal*, December 8, 1950). The following year the chamber rolled out “700 feet of Las Vegas publicity clippings” to demonstrate “the effectiveness of Las Vegas publicity and advertising.” They also brought famous cheapskate Jack Benny to a meeting to say, “It must be good; even I come up here to lose money” (*Las Vegas Review-Journal*, December 3, 1951). Fourth, and most importantly, all this effort led to an ever greater number of tourists. In 1951, the *Las Vegas Review-Journal* reported that a survey of area hotels and motels revealed, “tourist travel into Las Vegas is setting a record this year” (*Las Vegas Review-Journal*, June 15, 1951). The resort hotels noted a ten percent increase over the previous year. In 1952, there were about seven million tourists, a figure ten times greater than on the eve of World War II and those tourists spent over \$122,000,000. The impact of that spending on Las

Vegas was evident in a *New York Times* article. Comparing 1941 and 1952, property valuations increased by a factor of seven while bank deposits and retail sales increased by a factor of ten (“Las Vegas: Nice People”: 32; *New York Times*).

Conclusion

As Las Vegas enjoyed this remarkable success, they lost the services of Steve Hannagan. In 1949, “because of increasing demands from other communities on its line for the same service,” the Union Pacific could no longer subsidize the cost of the Hannagan agency (*Las Vegas Review-Journal*, September 1, 1949: 1). Keeping Hannagan would have required the chamber to spend \$86,000 of its \$97,000 Livewire Fund. Thus, they parted company with him, but kept the Desert Seas News Bureau and most of the staff remained headed by Ken Frogley, a Los Angeles newspaper man. The bureau remained a fundamental publicity arm of the chamber until 1992 when it became part of the Las Vegas Convention and Visitors Authority. Yet, increasingly, the resort hotels developed their own publicity campaigns to lure more tourists. Indeed, in 1952, employees of the news bureau joined with hotel publicists to form the Publicity Directors Association to “publicize Las Vegas throughout the nation as a resort and vacation center” (*Las Vegas Sun*). The Livewire Fund continued for many more years, but its greatest success was in the years immediately following World War II when Las Vegas faced a critical point. To address the economic uncertainty, it elected, following the lead of men like Maxwell Kelch, to stake its future on tourism, a gamble that paid off handsomely.

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