

February 12, 2022

MEMORANDUM

TO: File

FROM: Dan E. Moldea

Author: *Interference: How Organized Crime Influences Professional Football*

SUBJECT: How to win big money by exploiting the illegal sports-gambling economy

Because of the catastrophic landmark decision by the U.S. Supreme Court to legalize sports gambling in 2018, tomorrow's Super Bowl will yield the biggest sports-gambling handle in the history of the world.

However, to be clear, I believe that the proliferation of legalized sports gambling—where states or private companies collect large commissions from the total pool of bets—will cause a proliferation of the illegal gambling economy where illegal bookmakers continue to accept bets on an 11-to-10 basis, to extend credit to their customers, and to layoff to the Mafia.

Bill Jahoda—the late one-time top bookmaker for the Chicago Outfit who later flipped and turned state's evidence against the mob—explained to me how to make some real money by betting on football games in the illegal gambling economy . . . if you are able to do a little negotiating and then can avoid getting killed for your efforts.

1. The sports bettors who survive long-term in Las Vegas and elsewhere are not really gamblers, per se. They are arbitragers, like investment bankers on Wall Street. They buy and sell numbers—specifically, point spreads.
2. The point spread really has little to do with the strengths and/or weaknesses of the two teams in any given contest. The point spread is simply a calculation by an experienced oddsmaker as to how many points a favorite team must yield to an underdog team in order for the incoming betting action to be evenly divided between the two teams.
3. A bookmaker makes his money from the losing bets of gamblers who put up \$11 to win \$10. Thus, the bookmaker takes a ten-percent vigorish or commission on the losing bets he books. . . . In other words, if you bet \$100 on a game and win, you will receive \$100. If you bet \$100 on a game and lose, it will actually cost you \$110. Similarly, if you lose a \$2,500 bet, it will cost you the \$2,500 plus an additional \$250 for the vig.
4. Consequently, most bookmakers simply want a volume business and a balanced book. Generally speaking—although there are exceptions—they want as much money bet on Team A as they do on Team B.
5. "The layoff" occurs when Bookmaker X has too much money bet on a particular team in any given contest. In order to balance his book and reduce his risk, Bookmaker X will make a

bet equivalent to his overload with Bookmaker Y. . . . Just to repeat, a layoff bet is when one bookmaker makes a bet with another bookmaker, usually to correct an imbalance in his book.

6. So, in your bold attempt to exploit the illegal gambling economy, go to Bookmaker X and bet on all of the favorites—everything on his rack, all of the pro and college games—but try to get him to concede a point or more for each game. For example, negotiate a deal whereby you get at least -2 for a favorite that is listed as -3—and do that for his entire rack of favorites.

7. Then, go to Bookmaker Y and bet on all of the underdogs—everything on his rack—and, once again, try to get him to concede a point or more for each game. In direct contrast to your pick of the favorites, negotiate a deal whereby, for example, you get at least +4 for an underdog that is listed as +3.

8. Through your negotiations, you are trying to reduce the risk of your bets on the favorites while increasing the advantage of your bets on the underdogs.

9. Because you have bets on both teams in every contest, your maximum exposure is five percent of your investment. That is the most you can lose.

10. However, what you are hoping for—and very often occurs—is middling . . . when the final score falls between the points you negotiated for both the favorites and the underdogs.

11. For instance, Team A, favored by three points, wins a game, 17-14. Because, in your negotiations for your bet on the favorite, you gave two points, you win, 17-16. And because, in your bet on the underdog, you received four points, you also win, 18-17.

12. When that happens, you win both bets in every contest where middling occurs.

For the record, I have never attempted to pull off something like this. I am not a gambler—apart from legal low-stakes poker games with friends during which the house does not take a skim.

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Here is the link to my 1989 book, *Interference: How Organized Crime Influences Professional Football*: https://www.amazon.com/Interference-Organized-Influences-Professional-Forbidden-ebook/dp/B00KGMW9S/ref=sr_1_7?s=books&ie=UTF8&qid=1524906791&sr=1-7&keywords=dan%20moldea%20books&fbclid=IwAR3uzcQhJRHO67P4IqFGAHVxOsIWfPC1L1pk2o3ZzJB-tEo2RCOKZYa00Ik