

Edgar Filing: STATION CASINOS INC - Form PRRN14A

STATION CASINOS INC

Form PRRN14A

March 16, 2005

SCHEDULE 14A

SCHEDULE 14 INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant [ ]

Filed by a Party other than the Registrant [ x ]

Check the appropriate box:

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Name of Registrant as Specified in Its Charter:

Station Casinos, Inc.

Name of Person(s) Filing Proxy Statement:

UNITE HERE

Payment of Filing Fee (check the appropriate box)

\$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2).

\$500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3).

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

NOTICE OF INTENDED PROXY CONTEST OVER SHAREHOLDER PROPOSALS

First released to shareholders March/\_\_/05

UNITE HERE

1630 S. Commerce St.  
Las Vegas, NV 89102  
Tel.: (702) 386-5231  
Fax: (702) 386-5241

RE: ANNUAL MEETING OF SHAREHOLDERS OF STATION CASINOS, INC.

(NYSE: STN)

Est. Date: May 18, 2005

Est. Location: Las Vegas, NV

STOCKHOLDER PROPOSALS WILL BE PRESENTED TO:

## Edgar Filing: STATION CASINOS INC - Form PRRN14A

- (1) Strengthen shareholder rights by changing a "supermajority" voting provision in the bylaws to simple majority;
- (2) Declassify the Board and institute annual election of Directors; and;
- (3) Allow shareholders to vote on the Company's "poison pill" or redeem it.

To Fellow Station Casinos, Inc. Shareholders:

We will be putting three proposals up for a vote at the next shareholders meeting. If you think you might support one of them, then please hold off returning a proxy card to management (unless such card gives you the opportunity to vote on the proposals). Instead, wait until you receive our proxy card containing these proposals.

Station Casinos has been one of the leading performers in the gaming industry. However, we are concerned about the Company's corporate governance practices and restrictions on shareholder rights. We believe the Company's arsenal of anti-takeover devices--a classified board, a stockholder rights plan (or "poison pill"), blank check preferred stock, supermajority voting requirements, golden parachutes, and restrictions on shareholders' ability to call special meetings or act by written consent--serve to potentially entrench management and the Board of Directors from shareholders.

It is our opinion that enhancing shareholder rights at Station Casinos, rather than maintaining the Company's current entrenchment devices, is the best guarantee to ensure the continuing success of the Company.

Removing the Company's anti-takeover devices is especially important given the unprecedented merger-and-acquisition activity in the gaming industry. In 2004, over \$22 billion in gaming deals were announced, and Boyd Gaming completed its \$1.4 billion acquisition of Coast Resorts, a major Station Casinos' competitor.

We believe the trend of consolidation among gaming operators is likely to continue a view backed by top gaming industry analysts:

"We believe that the industry could continue to experience consolidation, particularly among the small-cap operators, as the gap between them and the large caps continues to widen." (Lehman Brothers Global Equity Research, "Opportunity Knocks", Aug. 24, 2004)