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For more information on Michigan's gaming industry, please visit www.michigangaming.com

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The _____ MICHIGAN GAMING _____ Newsletter



MICHIGAN HORSE RACING INDUSTRY HAS FIRST LICENSING MEETING WITH MGCB

On Thursday, October 14, 2010, representatives from Michigan's horse tracks and industry associations met with Rick Kalm, Executive Director of the Michigan Gaming Control Board ("MGCB"), to discuss the current status of each track's annual license application.

In October, 2009, Michigan Governor Jennifer Granholm issued Executive Order 2009-45 which consolidated several government agencies for budget and resource management purposes. Among other items, the Order transferred the duties of the Office of Racing Commissioner to the Executive Director of the MGCB. All final decision making authority is vested in the Executive Director; the MGCB does not issue final orders regarding horse racing. Executive Order 2009-45 went into effect on January 17, 2010.

The meeting was the first for the industry regarding annual license applications. Executive Director Kalm opened the meeting by acknowledging that these are "trying times for the industry." He also reinforced a conclusion set forth in the MGCB's September report to the legislature regarding the state of the horse racing in Michigan – that the industry "must have stabilized funding" from the legislature for its survival.

The purpose of the meeting was to evaluate the status of each track's annual license application. Several of the tracks' applications had deficiencies that needed to be addressed before November 1, the deadline for submission. In addition, representatives from the tracks noted that, in order to have competitive purse structures, many tracks need fewer live racing dates than the statutory minimum outlined in the Michigan Horse Racing Law of 1995.

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After applications have been submitted and evaluated, Executive Director Kalm will distribute the legislatively-determined 217 live racing dates among the licensed tracks. According to statutory requirements, the Executive Director must take final actions on all track license applications and allocate all live racing dates by November 1, 2010.

MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR SEPTEMBER, 2010

The Michigan Gaming Control Board (“MGCB” or “Board”) released the September, 2010 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino, and Greektown Casino. Overall, revenue for the Detroit Market was up by 5.6% in September, 2010 from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino and MotorCity Casino Hotel was up by 11% and 3.9 percent, respectively, while revenues for and Greektown

Month in 2010	Total Adjusted Revenue 2010		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$47,468,319.04	\$35,923,997.65	\$28,023,801.67
February	\$48,622,651.56	\$36,511,115.12	\$29,809,377.11
March	\$52,548,328.50	\$41,234,840.59	\$33,481,265.74
April	\$49,605,147.69	\$37,322,007.23	\$31,981,992.16
May	\$48,836,322.62	\$38,386,776.02	\$29,688,544.04
June	\$46,220,269.94	\$36,543,168.85	\$27,038,009.97
July	\$50,433,913.76	\$37,735,768.95	\$30,633,325.45
August	\$48,046,645.76	\$35,046,635.19	\$29,880,927.00
September	\$46,489,288.77	\$34,773,828.64	28,108,806.75
Total	\$438,270,887.64	\$333,477,868.24	\$268,646,049.87

Casino-Hotel was down by .3% in comparison to the same month last year.

On March 9, 2010, Greektown Casino received a tax base reduction certification from the MGCB. For the months of January and February, 2010, the State of Michigan’s share for the wagering tax reflected in the Greektown Casino numbers released by the MGCB was 12.1% and the City of Detroit’s share was 11.9% for a total tax of 24%. This 24% tax historically applied to all three Detroit casinos. As a result of all three casino facilities being deemed “fully operational,” they are subject to a wagering tax of 19%, with 10.9% of this levy to go to the City of Detroit, and 8.1% to be paid to the State of Michigan. Greektown Casino’s tax rollback was retroactive to February, 2009, and thus the casino will receive ongoing tax credits to offset prior payments. According to a report presented at the September 14, 2010 MGCB Public Meeting, as of September 10, 2010, the tax rollback credit has been depleted.

In addition to the monthly figures, MGCB Executive Director Rick Kalm provided a third quarter analysis ending September, 2010. Specifically, aggregate revenues for Detroit’s commercial casinos were up 3.2%, compared to the same period last year. Gaming revenues for MGM Grand Detroit Casino,

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Month in 2010	Total Adjusted Revenue 2010		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$111,416,118.36	\$10,145,657.65	\$13,258,518.09
February	\$114,943,143.79	\$10,502,769.73	\$12,528,802.67
March	\$127,264,434.83	\$8,595,465.95	\$13,871,823.40
April	\$118,909,147.08	\$7,041,099.55	\$12,961,097.03
May	\$116,911,642.68	\$7,065,070.99	\$12,743,369.05
June	\$109,801,448.76	\$6,703,838.54	\$11,968,357.91
July	\$118,803,008.16	\$7,141,744.30	\$12,949,527.89
August	\$112,973,937.95	\$6,730,533.89	\$12,314,159.24
September	\$109,371,924.16	\$8,017,894.45	\$11,921,539.73
Total	1,040,394,805.75	\$71,944,075.05	\$114,517,195.00

MotorCity Casino, and Greektown Casino were \$145 million, \$108 million, and \$89 million, respectively.

The market shares for MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino for the month of September, 2010 were 43%, 31% and 26%, respectively.

The figures above do not include: 1) wages and benefits paid to casino employees; and 2) payments to suppliers, service providers or vendors.

GUN LAKE CASINO UPDATE

On October 24, 2010, The Gun Lake Band of Pattawatomi (“Tribe”) will begin accepting online applications for positions at its Gun Lake Casino. According to the Gun Lake Casino’s website, interviews will be conducted starting in November to fill an estimated 700 positions at the site. Resumés for management positions are currently being accepted. The casino is on track to be completed in mid-February, 2010 and is located off of U.S. 131, south of Wayland, Michigan.

The 83,000 square foot facility will feature 1,400 slot machines, 36 table games, an entertainment lounge, and a casino bar. It will be operated by the Tribe’s management partner, MPM Enterprises, LLC, owned by an affiliate of Station Casinos, Inc., as well as private investors from Michigan.

For more information on jobs available at the casino, please visit: www.gunlakecasino.com.

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MICHIGAN LOTTERY HONORS MICHIGAN MILITARY

On October 11, 2010, the Michigan Lottery announced its newest instant ticket, "Michigan Heroes." The \$2 ticket, which is currently being sold, features photos of military men and women from Michigan who have served in the Armed Forces dating from WWII to the present and offers prizes ranging from \$2 to \$25,000.

"The Lottery is proud to be offering the Michigan Heroes instant ticket to honor not only the 10 individuals featured on the ticket, but all servicemen and women from Michigan," said Lottery Commissioner M. Scott Bowen.

In 2009, Michigan Lottery Player City members were asked to submit an image of themselves, a family member, or friend who is currently or has previously served in the armed forces in the U.S. military. Of the 270 entries received, the Lottery selected 10 heroes to be featured on the Michigan Heroes instant ticket.

Military members currently featured on the ticket include: Specialist Bobbie Caviness, Jr.; Master Sergeant David Wolfe; Private Barbara Pomponio; Private First Class Jonathon Poole; Lance Corporal Dickie Prince, Jr.; Staff Sergeant Lani Yearicks; Staff Sergeant James Allen; Corporal Russell Schanck; Specialist Nathan Lentz; and Petty Officer Chandar Badger.

For more information, please visit the Lottery's Web Site at www.michigan.gov/lottery.

G2E EARLY BIRD DISCOUNTS EXPIRE OCTOBER 28

Early Bird Discounts for the 2010 Global Gaming Expo (G2E), to be held at the Las Vegas Convention Center in Las Vegas, Nevada, from November 15 through 18, expire on October 28.

Early Bird Discounts include group discounts, Native American Casino Registration packages and special hotel and travel deals which registrants may take advantage of at the G2E website.

Patrons will have the opportunity to apply for Express Badges for G2E 2010. Expo organizers say the new badges will expedite registration and check-in time, thus creating more ease and convenience.

Over 30,000 gaming professionals from around the world are scheduled to attend this year's G2E from all gaming industry trades and sectors.

To register, or if you have any questions about G2E, please visit www.globalgamingexpo.com.

DAILY AGA SMARTBRIEFS

The American Gaming Association (AGA), which produces the Global Gaming Expo, has recently introduced *AGA SmartBriefs*, a free daily e-newsletter which keeps the gaming industry up to date on the latest gaming news.

Sign up and stay ahead of the curve with updates on products, technologies, amenities, industry happenings and more. You can register to receive the free *AGA SmartBriefs* by visiting www.smartbrief.com/aga/.