

July 15, 2011

Volume 17, Issue 21

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

Editor in Chief

David D. Waddell, Esq.

Phone: 517.507.3859

waddell@rmclegal.com

Senior Gaming Analyst & Editor

Robert R. Russell, II

Phone: 517.507.3858

russell@rmclegal.com

Reporter and Associate Editor

Dustin M. Ford

Phone: 517.999.5414

dford@rmclegal.com

Reporter

Douglas L. Minke

Phone: 313.221.9380

minke@rmclegal.com

Reporter

Blaine R. DeGracia

Phone: 517.507.3857

degracia@rmclegal.com

Subscription information:

info@michigangaming.com

A publication of

RMC Ventures, LLC

University Place Center
333 Albert Ave, Suite 450
East Lansing, MI 48823
Phone: 517.507.3860
Fax: 517.908.0235
www.rmclegal.com

The _____ MICHIGAN GAMING _____ Newsletter



MICHIGAN AG FILES ILLEGAL GAMBLING CHARGES IN FLINT POKER INVESTIGATION

On Wednesday, July 6, 2011, Michigan Attorney General Bill Schuette announced that 15 criminal charges were filed against individuals as a result of an investigation into “an extensive video poker operation in Flint-area bars,” according to a press release from the Attorney General’s office. These charges are against the two men who allegedly organized and ran the gambling operation and were made after the Attorney General’s office charged 35 other individuals, including bar owners and others, in connection with the illegal gambling activity.

Michael Kremski, of Grand Blanc, and Robert Allen Murray, of Flint, were each charged with a single count of racketeering and fourteen charges of conducting an illegal gambling operation. The pair allegedly promoted the installation of unlicensed and unapproved gambling machines at Flint-area bars between January and November of 2007. Kremski allegedly ran the operation by selling the machines and teaching bar owners how to avoid detection from law enforcement. Murray allegedly aided Kremski by collecting the money made from the machines and making payments to the bar owners from the winnings.

The Michigan State Police and Michigan Gaming Control Board both participated in the investigation with the Attorney General’s office. Rick Kalm, Executive Director of the Michigan Gaming Control Board, stated that “Michigan citizens should beware – not only do the odds heavily favor the distributors and the bar owners, but the public has no recourse when ripped off, as the activity is illegal.”

(Continued on page 2)

According to the state Attorney General's office, several owners of the bars where illegal gambling allegedly took place have agreed to testify against the two men. The men are expected to face trial in the 67th District Court in Flint.

MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR JUNE 2011

The Michigan Gaming Control Board ("MGCB" or "Board") has released the June, 2011 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 3.2% in June, 2011 from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino, MotorCity Casino, and Greektown Casino was up by 2.8%, .8% and 7.1%, respectively in comparison to the same month last year.

Month in 2011	Total Adjusted Revenue 2011		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$48,709,927.15	\$38,680,985.61	\$27,673,308.06
February	\$46,916,833.57	\$38,591,311.83	\$28,992,514.21
March	\$54,466,307.80	\$45,244,701.71	\$33,101,456.98
April	\$52,162,289.78	\$41,512,570.85	\$31,657,354.70
May	\$51,196,720.20	\$38,800,817.32	\$30,042,825.97
June	\$47,531,731.66	\$36,826,112.83	\$28,949,876.41
Total	\$300,983,810.16	\$239,656,500.15	\$180,417,336.33

Month in 2011	Total Adjusted Revenue 2011		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$115,064,220.82	\$9,320,201.89	\$12,542,000.07
February	\$114,500,659.61	\$9,274,553.43	\$12,480,571.90
March	\$132,812,466.49	\$10,757,809.79	\$14,476,558.85
April	\$125,332,215.33	\$10,151,909.44	\$13,661,211.47
May	\$120,040,363.49	\$9,723,269.44	\$13,084,399.62
June	\$113,307,720.90	\$9,177,925.39	\$12,350,541.58
Total	\$721,057,646.64	\$58,405,669.38	\$78,595,283.48

All three casinos are subject to a wagering tax of 19%, with 10.9% of this levy to go to the City of Detroit,

(Continued on page 3)

and 8.1% to be paid to the State of Michigan.

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

POKAGON BAND EXECUTES EARLY BUY-OUT OF AGREEMENT WITH MANAGEMENT COMPANY

On July 1, 2011, the Pokagon Band of Potawatomi Indians (“Tribe”) announced the early buy-out of its agreement with Lakes Entertainment, Inc., the company which provided development and management services for its Four Winds Casino Resort in New Buffalo, Michigan since opening in August of 2007.

“The early buy-out of our management agreement with Lakes Entertainment is a direct result of the tremendous success we have achieved with Four Winds Casino Resort,” stated Matt Wesaw, Chairman of the Tribe. “Lakes Entertainment has been a valuable and trusted partner for many years and we greatly appreciate everything they have done to help us achieve our independence. On behalf of all Pokagon Citizens and employees of Four Winds Casino Resort, I’d personally like to thank Lyle Berman, Tim Cope and the rest of the Lakes Entertainment management team.”

In addition, the Tribe recently announced that Four Winds Casino Resort will soon expand to include an additional 250 hotel rooms and a multi-use event center. Construction is currently underway and is expected to be completed in summer 2012.

The Four Winds Casino currently features a 130,000 square foot gaming floor with over 3,000 slot machines and 100 table games. The casino gaming facilities, coupled with a 165-room hotel and events center, employ more than 2,000 workers. For more information please visit: www.fourwindscasino.com.

MICHIGAN LOTTERY ANNOUNCES EXPANSION TO DETROIT METRO AIRPORT

On Wednesday, July 13, the Michigan Lottery announced that it now offers travelers to and from Michigan the opportunity to purchase and redeem Lottery tickets at both terminals at Detroit Metro Airport. The agreement between the Michigan Lottery and the Wayne County Airport Authority allows all Lottery products, including online games, instant tickets and Club Games at selected bars and restaurants throughout the McNamara and North Terminals.

“Lottery to Go” vending machines will be placed throughout the North Terminal and will feature instant tickets and all online games. Additionally, Lottery retailers throughout both terminals now offer Lottery games such as Mega Millions, Powerball, Classic Lotto 47, Fantasy 5, Club Keno, Keno!, Lucky Lines and many other traditional games offered by the Michigan Lottery.

“We couldn’t be more pleased with the partnership formed with the airport authority,” said Lottery Commissioner M. Scott Bowen. “For years players have been asking us if they can play the Lottery at the airport and today we can answer with a definitive yes.”

CASINO MARKETING CONFERENCE BEGINS NEXT WEEK IN LAS VEGAS

On July 18-20, 2011, casino marketing executives and experts will meet at the Planet Hollywood Las Vegas for the eighth annual Casino Marketing Conference. The conference, presented by Raven Consulting Company and BNP Media Gaming Group, will include educational seminars featuring notable speakers from across the gaming industry. In addition, the conference will offer two award presentations, the Casino Marketing Lifetime Achievement Award and the Romero Awards, which honor excellence in casino marketing.

The conference will begin on Monday, July 18, 2011, with the Advanced Player Development

(Continued on page 4)

Summit. This educational program will feature player development experts and will focus on both internal management techniques and outside marketing efforts for player development programs in a variety of different markets. Tuesday's events include seminar events that discuss a variety of topics ranging from broad overviews of casino marketing strategies to focused discussions on key issues facing the gaming industry. Wednesday includes additional seminar events as well as both the Casino Marketing Lifetime Achievement and Romero Awards presentations. The conference will also include ample networking opportunities for speakers and attendees throughout the week.

In 2010, the conference attracted approximately 300 attendees from the United States, Canada, and Europe. For more information on the Casino Marketing Conference, including a detailed agenda of conference events, please visit the conference's website at <http://www.casinomarketingconf.com/>