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Editor in Chief

**David D. Waddell, Esq.**

Phone: 517.507.3859

[waddell@rmclegal.com](mailto:waddell@rmclegal.com)

Senior Gaming Analyst  
& Editor

**Robert R. Russell, II**

Phone: 517.507.3858

[russell@rmclegal.com](mailto:russell@rmclegal.com)

Reporter and Associate Editor

**Dustin M. Ford**

Phone: 517.999.5414

[dford@rmclegal.com](mailto:dford@rmclegal.com)

Reporter

**Douglas L. Minke**

Phone: 313.221.9380

[minke@rmclegal.com](mailto:minke@rmclegal.com)

Reporter

**Blaine R. DeGracia**

Phone: 517.507.3857

[degracia@rmclegal.com](mailto:degracia@rmclegal.com)

Subscription information:

[info@michigangaming.com](mailto:info@michigangaming.com)

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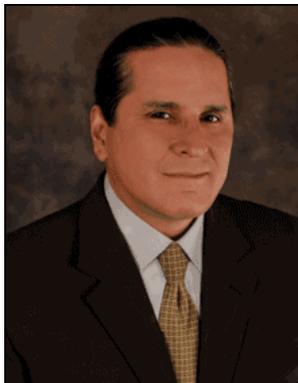
**RMC Ventures, LLC**

University Place Center  
333 Albert Ave, Suite 450  
East Lansing, MI 48823  
Phone: 517.507.3860  
Fax: 517.908.0235  
[www.rmclegal.com](http://www.rmclegal.com)

# The \_\_\_\_\_ MICHIGAN GAMING \_\_\_\_\_ Newsletter



## INTERVIEW WITH VICTOR ROCHA, FOUNDER AND EDITOR OF PECHANGA.NET



*Victor Rocha is owner and editor of Pechanga.net. Rocha has been involved in Indian gaming politics since 1998 and has earned numerous awards for his work, including the National Indian Gaming Association's 2002 Outstanding Contribution to Indian Country, VCAT's 2001 Catalyst Award, and recognition as one of Global Gaming Business Magazine's "40 Under 40."*

**Please provide a brief background about yourself.**

*A: I'm a California boy with a deep passion for music and the politics of gaming. I stumbled into the industry when my tribe, the Pechanga Band of Luiseño Indians, participated in several successful campaigns to legalize Indian gaming in California during the late '90s. I'm happily married with 2 dogs, 3 cats, & 30 guitars.*

**Q: What would you say is your number one skill that has helped you get to your position within the casino gaming market today?**

*A: Great people skills will get you in the door but honesty & integrity will keep you there. Working around the clock, 24/7/365, doesn't hurt either.*

**Q: As a popular and ever-growing website, what would you say is your main goal and purpose of Pechanga.net?**

*A: I created the website to keep Native Americans informed about the issues affecting Indian country. Its instant popularity made me realize there's a larger audience out there that wants to know about Indian country too.*

**Q: Does Pechanga.net currently partner with any other news-outlet affiliates? If not, are there plans to partner with other companies?**

*A: I have a great working relationship with most newspapers & websites but I don't really do the affiliate thing. I imagine I will in the future.*

**Q: What are the main goals or objectives for Pechanga.net over the course of the next year?**

*A: The computer is dead. Long live the smart phone. I'm heading in that direction too. I should have a news app in the next 12 months.*

*This year launched Pechanga.net 3.0, new and improved version of website. Hope to turn it into a full-scale Huffington Post for Indian and gaming news eventually.*

**Q: Do you see any major changes or shifts throughout the casino industry in the foreseeable future and what is your overall outlook for the industry?**

*A: Online gaming is the future of the gaming industry. You can stay home and lose your shirt without putting on your pants. It's very possible your local casino will become obsolete like Borders bookstores or Tower Records if it isn't online.*

*Slogging through a recession now, but things will get better. Expect steady growth as we improve our casinos, move online, and diversify into other businesses. Must remain vigilant as states try to tax us and feds try to chop us down to size.*

To participate in an interview with the *Michigan Gaming Newsletter*, please contact Reporter Blaine DeGracia at 517-507-3857 or at [degracia@rmclegal.com](mailto:degracia@rmclegal.com).

## **MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR JULY 2011**

The Michigan Gaming Control Board (“MGCB” or “Board”) has released the July, 2011 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Overall, aggregate revenue for the Detroit Market for the three months ending July 2011 was up by 2.3% from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino, MotorCity Casino, and Greektown Casino was up by 2.9%, 2.7% and .8%, respectively in comparison to the same three-month period 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
July	\$50,966,222.78	\$40,090,240.13	\$29,050,954.03
<b>Total</b>	<b>\$351,950,032.94</b>	<b>\$279,746,740.28</b>	<b>\$209,468,290.36</b>

(Continued on page 3)

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
July	\$120,107,416.94	\$9,728,700.77	\$13,091,708.45
<b>Total</b>	<b>\$841,165,063.58</b>	<b>\$68,134,370.15</b>	<b>\$91,686,991.93</b>

All three casinos 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.

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

## BAY MILLS LITIGATION UPDATE

On August 9, 2011, the United States District Court for the Western District of Michigan issued an order granting the state of Michigan’s motion to amend its complaint in its case against the Bay Mills Indian Community (“Bay Mills”) regarding operation of its Vanderbilt casino. The amended complaint adds allegations related to individual members of the Bay Mills tribal government. This was followed by a court order issued on August 15, 2011, granting the state’s request to add the individual names of tribal government officials as defendants in the case.

The amended complaint contains allegations that the “Council Members that authorized and operate the casino, and the Tribal Officials that approved the license for the Vanderbilt Casino and allowed its continuing operation exceeded their authority under Tribal law.” In addition, the state has included allegations that Bay Mills waived its sovereign immunity through its gaming ordinances and that this waiver extends to the tribal gaming commission. The amended complaint also adds the following individuals, in their official capacities as members of the Bay Mills Executive Council, as defendants to the case: Jeffery Parker, Terry Carrick, Richard LeBlanc, John Paul Lufkins, and Bucko Teeple.

Bay Mills responded to the motion to amend the complaint by filing a brief in opposition stating that the state’s allegations must first be heard in Bay Mill’s tribal court because each new allegation is based primarily in tribal law. The brief in opposition also argues that the new allegations are based on events separate from those that are the basis of the litigation and, therefore, must be contested in tribal court separately from the existing litigation. Despite the Bay Mills brief, the court stated in its August 9<sup>th</sup> order “that defendant’s objections to amendment involved affirmative defenses or other issues going to the merits, which are not properly before the court on a motion to amend.”

Bay Mills opened the Vanderbilt casino on November 3, 2010, without first receiving additional state or

*(Continued on page 4)*

federal approval for the gambling facility. The state attorney general's office issued a letter to Bay Mills on December 16, 2010, which demanded that the tribe cease all gaming activity at the Vanderbilt facility due to the state's allegations that the tribe was operating an illegal casino. Litigation began on December 21, 2010 when the state and the Little Traverse Bay Band filed separate lawsuits challenging the validity of the Vanderbilt casino under tribal compacts and federal law. Shortly after the initial filings, the District Court consolidated the two cases.

Notably, on Tuesday, March 29, 2011, the District Court made a preliminary finding that the Bay Mills' Vanderbilt casino is not operating on "Indian Lands" as required by federal law and issued the casino to close. In doing so, the court rejected the Bay Mills' argument that the Vanderbilt land qualifies as "Indian Land" because it was purchased from the earnings of a land trust and was used to consolidate and enhance tribal landholdings. In addition to examining the merits of the "Indian Land" issue, the court stated that immediate closure of the Vanderbilt casino would serve the public interest as "Bay Mills is operating the Vanderbilt Casino illegally." The court also states that the Little Traverse Bay Band would be economically harmed by the continued operation of the Vanderbilt casino due to a loss of patrons.

Furthermore, on Wednesday, June 29, 2011, the United States Sixth Circuit upheld the original order and a stay of the injunction issued by the District Court after an expedited review request was filed by Bay Mills.