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The MICHIGAN GAMING Newsletter



MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR SEPTEMBER 2011

The Michigan Gaming Control Board (“MGCB” or “Board”) has released the September, 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 was up by 4.5% from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino and MotorCity Casino was up by 4.5% to \$48.6 million and 10.5% to \$38.4 million, respectively in comparison to the same month last year, while revenue for Greektown Casino was down 4.4% to \$26.9 million.

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
August	\$49,579,309.45	\$38,037,787.80	\$27,470,288.34
September	\$48,562,691.89	\$38,406,374.92	\$26,863,130.17
Total	\$450,092,034.28	\$356,190,903.00	\$263,801,708.87

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
August	\$115,087,385.59	\$9,322,078.23	\$12,544,525.03
September	\$113,832,196.98	\$9,220,407.96	\$12,407,709.47
Total	\$1,070,084,646.15	\$86,676,856.34	\$116,639,226.43

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.

GREEKTOWN PROMOTION DROPS WALLETS ACROSS DETROIT

On October 17, 2011, Greektown Casino-Hotel announced its newest promotion, dropping prize-filled wallets across the Detroit area. The wallets, containing a voucher for \$50.00 in Bonu\$ Play and a voucher for a free, one-night stay at the hotel, have already been discovered near the Detroit professional sports venues and popular downtown lunch-hour locations.

In addition to the prizes contained in the wallets, those who claim the prizes will be entered to win a series of awards, including VIP accommodations at the casino hotel, Detroit Red Wings and Lions tickets, and food and beverage services at the casino’s lounges and restaurants.

In a press release regarding the promotions, Greektown Casino-Hotel CEO Mike Puggi stated, “[t]his promotion is an exciting way for us to invite Detroiters to come experience all the amazing new things happening at Greektown. And as the casino is in the heart of the city, it’s a fantastic way for us to thank Detroiters for their energy, excitement and support.”

AGA PROMOTES KEY INDIVIDUALS

On Friday, October 14, 2011, the American Gaming Association (“AGA”) announced the promotion of Keli Elkins to Vice President of Industry Relations and Holly Wetzel to Vice President of Communications. Both Ms. Elkins and Ms. Wetzel held positions within the organization prior to their new appointments.

Ms. Elkins previously served as Director of Special Projects with the association where she organized several industry conference events, including the Global Gaming Expo. In addition, she directed charity

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events, webinar series, outreach programs, and other fundraising efforts. Ms. Elkins role as Vice President of Industry Relations will continue to develop key industry events and educational programs.

Ms. Wetzel has served as the Communications Director for the AGA since 2005. In this role, she implemented several communication initiatives to promote the goals of both the AGA and the National Center for Responsible Gambling, the association's affiliated charity. Her new position will allow Ms. Wetzel to continue to organize short- and long-term campaigns to effectively communicate the AGA's messages.

In a press release, AGA President and CEO, Frank Fahrenkopf, Jr., stated "Keli and Holly's talents have been invaluable assets to the AGA for a number of years...[t]hey are natural leaders with a wealth of experience and deep knowledge of our industry, and I can't wait to see where they take us next in their new roles."

OHIO LOTTERY COMMISSION EXPEDITES LICENSING OF VIDEO LOTTERY TERMINALS AT HORSE TRACKS

On Monday, October 17, 2011, the Ohio Lottery Commission passed more than 15 administrative rules concerning the licensing of video lottery terminals ("VLTs") at the state's seven horse racetracks, including rules governing the licensure of the tracks as "video lottery sales agents" as well as licensure of the VLT manufacturers. These administrative rules have been fast-tracked pursuant to two executive orders signed by Ohio Governor John Kasich this week allowing rules to go into effect without having to undergo the normal 75-day state review process. In making the decision to expedite these administrative rules, Gov. Kasich said that he had determined that an "emergency exists" in the state, citing to increased tax revenues that the VLTs will generate. State officials have estimated that VLT tax revenue from each track would be approximately \$2 Million per month.

Though these administrative rules have been passed on an expedited basis, analysts believe that it will still likely be more than a year before VLTs will be fully operational at Ohio horse racetracks.

Ohio's seven horse racetracks have been authorized to operate a total of 17,500 VLTs (up to 2,500 per track location) under the recently-passed law. In exchange, racetrack owners are required to invest \$150 Million into their facilities and pay a \$50 Million licensing fee.