

August 16, 2013

Volume 19, Issue 22

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The MICHIGAN GAMING Newsletter



MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR JUNE AND JULY, 2013

The Michigan Gaming Control Board (“MGCB” or “Board”) released the June and July, 2013 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino.

Month in 2013	Total Adjusted Revenue 2013		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$45,053,237.92	\$35,104,651.68	\$26,014,038.75
February	\$46,465,030.58	\$38,280,263.88	\$26,554,877.16
March	\$54,317,934.38	\$45,753,508.81	\$34,689,130.33
April	\$48,995,129.99	\$39,735,195.61	\$31,309,701.67
May	\$48,326,080.76	\$39,604,092.95	\$28,589,982.46
June	\$41,794,972.38	\$35,431,762.38	\$26,630,622.16
July	\$51,507,665.66	\$34,639,218.50	\$26,177,226.98
Total	\$336,460,051.67	\$268,548,693.81	\$199,965,579.51

Casino Operations—Month of June, 2013

Overall, for the month of June, revenue for the Detroit Market was down

(Continued on page 2)

Month in 2013	Total Adjusted Revenue and Taxes 2013		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$106,171,928.35	\$8,599,926.20	\$11,572,740.19
February	\$111,300,171.62	\$9,015,313.90	\$12,131,718.71
March	\$134,760,573.52	\$10,915,606.46	\$14,688,902.51
April	\$120,040,027.27	\$9,723,242.21	\$13,084,362.97
May	\$116,520,156.17	\$9,438,132.65	\$12,700,697.02
June	\$103,857,356.92	\$8,412,445.91	\$11,320,451.90
July	\$112,324,111.14	\$9,098,253.00	\$12,243,328.11
Total	\$804,974,324.99	\$65,202,920.32	\$87,742,201.42

6.9% from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino was down by 11.7%, 4.0%, and 2.3%, respectively, in June, 2013 in comparison to the same month last year.

The market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino for June, 2013 were 40%, 34%, and 26% respectfully.

Casino Operations—Month of July, 2013

Overall, for the month of July, revenue for the Detroit Market was up 0.3% from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino was up 5.5%, while revenue for MotorCity Casino and Greektown Casino was down by 1.0%, and 7.2%, respectively, in July, 2013 in comparison to the same month last year.

The market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino for July 2013 were 46%, 31%, and 23% respectfully.

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 released by the Michigan Gaming Control Board are the gross receipts less winnings paid to wagerers. The figures do not include: 1) any fees or other relevant city, state or federal taxes; 2) wages and benefits paid to casino employees; 3) payments to suppliers, service providers or vendors; and 4) other normal business expenses.

Detroit Casinos License Renewed

During the MGCB's August 2013 Regular Public Meeting, the annual license renewals for all three Detroit casinos, MGM Grand Detroit, MotorCity Casino, and Greektown Casino-Hotel were approved by the Gaming Control Board.

MICHIGIAN LOTTERY TO PARTICIPATE IN EXPANDED MEGA MILLIONS, RELEASES MOBILE APP

On August 12, 2013, the Michigan Lottery (“Lottery”) announced that the Mega Millions lottery game offered in the state will transition to a new prize structure which will include larger jackpots. In addition, the Lottery recently released a mobile app for the iPhone and Android devices that allows players to check winning numbers and jackpots.

Mega Millions Game Changes

The Mega Millions lottery games were introduced in 1996 as the “Big Game” with six states participating, including Michigan. Since its inception, the game has expanded to include 43 states and has continued to increase the jackpot size and total payout. Players choose five numbers, represented on white balls during the drawing, and one gold Mega Ball number to total six numbers. Drawings occur twice per week, on Tuesday and Friday evenings.

The current game changes, which will take effect on October 22, 2013, will change aspects of how the game plays and will increase the amount of payouts. The changes are the first amendments to the gameplay since June of 2005. These changes include:

1. The minimum jackpot will increase from \$12 Million to \$15 Million
2. Each jackpot will grow by at least \$5 million after drawings in which no jackpot is awarded
3. The mix of white balls will increase to 75 and the number of gold balls will decrease to 15
4. The Megaplier feature, which is an additional option that players can purchase for \$1 to increase non-jackpot prizes, will now include a factor that allows players to win up to \$5 Million without matching all six numbers.

The odds of hitting a winning jackpot are now 1 in 259 Million, with the overall odds of winning any prize at 1 in 14.7.

Mobile App

On July 25, 2013, the Lottery released its

Michigan Lottery Mobile App for iPhone and Android devices. The application allows users to check winning numbers, watch Club Keno drawings, find retailer locations, participate in the Player’s Club, as well as additional features.

Notably, the application will not allow users to purchase lottery tickets through their mobile devices. In July, the Lottery announced that it was suspending its plans to allow lottery tickets and other games to be purchased and/or played over the Internet. The online sales program, referred to as “iLottery,” initially received support from Governor Rick Snyder who proposed a \$3.4 Million allocation in his 2014 budget proposal for the project’s development. The funding, however, was not included in the final omnibus budget sent to the Governor. In addition, the program has been opposed by some members in the legislature which resulted in the introduction of Senate Bill 0294 on April 10, 2013 which would prohibit the Lottery from conducting any sales over the Internet. Senate Bill 0294 has remained in the Senate Committee on Regulatory Reform since April 10, 2013.

Those interested in learning more about the new Mega Millions game or the Lottery’s mobile application should visit the Lottery Commission’s website at: <http://www.michigan.gov/lottery>

FOUR WINDS INVITATIONAL RAISES \$56,500 FOR MEMORIAL CHILDREN’S HOSPITAL

Yesterday, August 15, 2013, the Pokagon Band of Potawatomi Indians (Pokagon Band), owners of the Four Winds casinos, announced that it has donated \$56,000 to Memorial Children’s Hospital in South Bend, Indiana. The donation represents proceeds from the 2013 Four Winds Invitational and will be used to purchase a neonatal incubator transport unit for the hospital’s MedFlight helicopter program. Additionally, the Pokagon Band has announced that it will again be the title sponsor for the 2014 Four Winds Invitational, which is featured on the Symetra Tour. The tournament will be held June 20, through June 22, 2014 at the Blackthorn Golf Club in South Bend, Indiana.

“We are proud to continue as the title sponsor of the Four Winds Invitational and contribute to the future success of the tournament that benefits both the South Bend community and Memorial Children’s Hospital,” said Matt Wesaw, Chairman of the Pokagon Band of Potawatomi Indians. “Along with the support of several local sponsors, we are also very proud to have made a donation of \$109,500 to Memorial Children's Hospital over the past two years.”

The Four Winds Invitational was established in 2012 as part of the Symetra Tour — Road to the LPGA, and is sponsored by the Pokagon Band of Potawatomi Indians and its Four Winds Casinos. The tournament features a field of professional women golfers from around the world competing for prizes totaling \$150,000, making it the largest purse on the Symetra Tour. More information is available at: www.fourwindsinvitational.com.

G2E 2013 KEYNOTES TO BRING LAUGHS, LEARNING AND LEADERS AT THIS YEAR’S TRADE SHOW AND CONFERENCE EVENT

Global Gaming Expo (G2E) 2013 will feature an exciting series of keynote events that are sure to provide attendees with endless entertainment, unmatched educational experiences and exclusive access to the industry's leading experts. G2E's keynote events will kick-off with a performance by the improvisational comedy enterprise The Second City; they will continue with the always-popular State of the Industry and tribal gaming panel discussions, which will address the top issues impacting the gaming industry today. G2E is the premier trade show and conference event for the international gaming entertainment industry and will be held Sept. 23-26, 2013 at the Sands Expo and Convention Center in Las Vegas.

"This year's diverse series of keynote events are sure to provide attendees with unique educational and entertainment experiences that can only be found at G2E," said Courtney Muller, senior vice president of Reed Exhibitions. "Not only will we hear from the industry's top gaming professionals at the State of the Industry and tribal gaming keynote panel discussions, but we will also kick

off our keynotes with what is sure to be an entertaining performance by The Second City improv group. This one-of-a-kind lineup illustrates the reason why G2E is regarded as the world's premier trade show and conference event for the gaming industry."

Immediately following Tuesday's ribbon-cutting ceremony, The Second City will take stage for a performance that will inject business with a little levity to help attendees create, innovate and connect powerfully. The improvisational skills they use to create the world's best satire and comedy are the same skills they teach every day to many successful corporations-helping them become more innovative, team driven and nimble. The troupe will use humor and open conversation to honestly identify challenges within corporate environments. This opening-day keynote is sure to deliver entertainment and laughs to attendees as they kick off their G2E 2013 experience.

On Wednesday, the annual State of the Industry keynote session will feature five top executives from gaming's leading operators and suppliers. They will provide insight into today's important issues and trends, as well as what the future holds for the industry. Moderated by journalist Jon Ralston, known for hosting Nevada's public affairs program "Ralston Reports," the diverse panel of experts includes Holly Gagnon, president and CEO of Pearl River Resort; Virginia McDowell, president and CEO of Isle of Capri Casinos, Inc.; Tobin Prior, CEO of Ultimate Gaming; Anthony Sanfilippo, president and CEO of Pinnacle Entertainment, Inc.; and Timothy J. Wilmott, president and COO of Penn National Gaming, Inc.

The keynote series will conclude on the final day of G2E 2013 with a roundtable discussion featuring Victor Rocha, owner and editor of Pechanga.net, as the moderator, and several knowledgeable government affairs professionals who will discuss a host of tribal gaming issues. The eight-member panel will include Eddie Ayoob, partner at Barnes & Thornburg; Chuck Bunnell, chief of staff, External & Governmental Affairs for the Mohegan Tribe; Jason Giles, executive director of the National Indian Gaming Association; John Guzik, founding partner of The Franklin Partnership, LLP; John Harte, member of the Mapetsi Policy Group; Pete Kirkham,

president of Red Maple Consulting, LLC; Jana McKeag, president of Lowry Strategies; and John Tahsuda, vice president of tribal affairs at Navigators Global.

register, or for more information about G2E, please visit www.globalgamingexpo.com.

The keynote addresses on Monday and Tuesday will take place from 10:30-11:30 a.m., and Thursday's address will take place from 9-10 a.m. All keynotes will be held in Venetian Ballroom G and are open to all G2E attendees.

For more information or to register for G2E 2013, visit www.globalgamingexpo.com. To stay up-to-date on G2E, year-round educational opportunities and the latest news and issues in the industry, connect with G2E on the G2E Blog, Twitter, Facebook, YouTube and LinkedIn.

GLOBAL GAMING EXPO EARLY BIRD SPECIALS

Early Bird Discounts for the 2013 Global Gaming Expo (G2E), to be held at The Sands Expo and Convention Center in Las Vegas, Nevada, from September 24-26, run through August 30.

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

Attendees will also have the opportunity to apply for Express Badges for G2E 2013. Expo organizers say the new badges will expedite registration and check-in time, thus creating more ease and convenience.

G2E is the pre-eminent trade show for the worldwide gaming-entertainment industry, providing access to the latest and most innovative new products, the most current education and the best networking opportunities in the business. The flagship event in the G2E family of events, G2E is held annually in Las Vegas. It is organized by the AGA and [Reed Exhibitions](#), with a commitment to creating an event that is by the industry and for the industry.

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