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# The MICHIGAN GAMING Newsletter



## MICHIGAN GAMING CONTROL BOARD RELEASES JANUARY 13, 2015 PUBLIC MEETING AGENDA

The Michigan Gaming Control Board (“MGCB”) will hold its regular public meeting on Tuesday, January 13, 2015 at the MGCB Detroit office, Cadillac Place, 3062 West Grand Blvd., Suite L-700, in Detroit.

The agenda for the meeting includes the following items:

- A. Consider Proposed Board Resolution No. 2015-01
- B. Consider the Licensing & Investigations Division Recommendations Regarding Level 1 and Level 2 Occupational License Applications
- C. Consider the Executive Director’s Report and Licensing & Investigations Division Recommendations Regarding the Pending Supplier License Applications of
  1. Blue Sky Marketing Group, LTD, Board File No. SL005944-15-001
  2. Cadillac Travel, Inc., Board File No. SL006365-15-001
  3. G & A Baking Company, LLC, Board File No. SL005850-15-001
  4. Perich + Partners, Ltd., Board File No. SL006830-15-001
- D. Consider the Executive Director’s Reports and Licensing & Investigations Division Recommendations Regarding the Pending Supplier License Renewal Requests of
  1. Ainsworth Game Technology Limited, Board File No. SL005155-15-001

2. American Gaming & Electronics, Inc., Board File No. SL001568-15-001
  3. Colasanti Construction Services, Inc., Board File No. SL006435-15-001
  4. Detroit Spectrum Painters, Inc., Board File No. SL004331-15-001
  5. Guideline Mechanical, Inc., Board File No. SL000186-15-001
  6. IGT, Board File No. SL000002-15-001
  7. J.J.S.V. Enterprises, Inc. d/b/a Pizzapapalis Taverna, Board File No. SL001287-15-001
  8. Kaywazee Installations, Inc., Board File No. SL006367-15-001
  9. LaBelle Electric Services, Inc., Board File No. SL000145-15-001
  10. Master Craft Carpet Service, Inc. d/b/a Master Craft Floors, Board File No. SL004494-15-001
  11. Midwest Game Supply Company, Board File No. SL000167-15-001
  12. Northern Lakes Seafood & Meats, L.L.C., Board File No. SL002903-15-001
  13. RAM Construction Services of Michigan, Inc., Board File No. SL000362-15-001
  14. Rhiannon Creations, Inc. d/b/a Body Bliss, Board File No. SL005380-15-001
  15. WMS Gaming Inc., Board File No. SL000037-15-001
- E. Consider the Executive Director's Reports and Licensing & Investigations Division's Recommendations Regarding the Pending Transfers of Interest In
1. Socios Holdings, Inc., Board File No. SL005803-15-001
  2. US Foods, Inc., Board File No. SL005581-15-001
- F. Consider Board's Acceptance of Acknowledgment of Violation of Supplier Licensee Wing Construction, Inc., Board File No. SDA-2014-02
- G. Consider Administrative Law Judge's Proposal for Decision Regarding Occupational Licensee Raman Atto, Board File No. ODA-2014-3
- H. Consider Administrative Law Judge's Proposal for Decision Regarding Occupational Licensee Angela Shanks, Board File No. ODA-2014-4

The meeting will begin at 9:30 a.m. with the staff briefing, followed immediately by the agenda items. The meeting will take place in the Cadillac

Place in Detroit's New Center Area near the John Lodge Freeway (M-10), between Second Avenue and Cass Avenue. The Fisher Building and the Albert Kahn Building are nearby landmarks.

For more information regarding the MGCB, please visit their website at: [www.michigan.gov/mgcb](http://www.michigan.gov/mgcb)

## SPORTS CREEK RACEWAY CLOSES

On January 1, 2015, Sports Creek Raceway at Swartz Creek closed its doors after an agreement could not be reached between the track and the Michigan Harness Horsemen's Association, leaving only two horse tracks operating within the state.

Rick Kalm, executive director of the Michigan Gaming Control Board ("MGCB") issued a cease and desist order to the track after negotiations failed between the track and horsemen's association, but he has indicated that the order would be lifted should the parties come to terms over the matter.

"The Horse Racing Act is clear and unequivocal—tracks may not simulcast, or accept wagers on other races, unless they have signed contract for live racing," said Mr. Kalm. "While I am sorry it has come to this, we do not have any discretion in the matter."

According to the Michigan Gaming Control Board ("MGCB"), for several months it has warned Sports Creek Raceway and the Michigan Harness Horsemen's Association that all live horse racing, simulcasting and pari-mutuel wagering at the track must stop if the parties don't sign a contract for live racing before January 1, 2015 deadline. Michigan law strictly prohibits tracks from offering live or simulcast racing without a contract with a horsemen's organization.

The MGCB also notes that Sports Creek must arrange for bettors to redeem any unpaid winning pari-mutuel wagering tickets issued at the track by March 2, 2015. The MGCB is hopeful that an agreement can be made between the track and horsemen's association.

## **AGA RELEASES ECONOMIC IMPACT STUDY ON MICHIGAN COMMERCIAL CASINO INDUSTRY**

The American Gaming Association (“AGA”) recently released an economic impact study related to commercial casino gaming in the state of Michigan. The study, completed by Oxford Economics, provides direct, indirect, and induced economic impacts of commercial casinos on a statewide basis in 2013.

According to the report, during 2013, Michigan’s commercial casino industry generated approximately \$1.44 billion in revenues, which generated 8,800 direct jobs, including approximately 7,500 commercial casino jobs and nearly 1,300 jobs associated with ancillary spending.

“This study shows that gaming is driving big results in Michigan,” stated Geoff Freeman, president and CEO of the AGA. “However, given increased competition and changing consumer demands, our future success depends on strong partnerships with policymakers that allow us to innovate, reinvent, and create jobs.”

The report also notes that Michigan’s commercial casino industry contributed more than \$2.8 billion of economic activity in 2013.

To view the AGA’s recently released study by Oxford Economics, [please click here](#).

Nationwide, casino gaming in the United States is a \$240 billion industry that supports 1.7 million jobs and generates \$38 billion in federal, state and local taxes, according to a study by Oxford Economics released in December of 2014.

## **AGA ANNOUNCES ADDITION OF BOARD MEMBERS AND GENERAL MEMBERS IN EFFORT TO UNIFY INDUSTRY**

Today, January 9, 2015, the American Gaming Association (“AGA”) announced the addition of six board members and three general members

as a part of a new membership structure approved by the AGA Board of Directors in late 2014. The AGA is seeking to unify the gaming industry through a policy of inclusivity and transparency. The new organizational structure and board member additions are the latest in a series of prominent changes under the leadership of the AGA Board of Directors and president and CEO Geoff Freeman.

The AGA’s new structure includes a “seat at the table” for licensed and regulated casino gaming operators – commercial and tribal – and suppliers that comply with the AGA’s Member Code of Conduct and meet requisite dues requirements. In addition, industry allies, such as financial service providers, non-gaming suppliers and destination marketing organizations, have an opportunity to actively participate in the new AGA.

“The gaming industry is strongest when it works together,” said Jim Murren, chairman and CEO of MGM Resorts International and chairman of the AGA. “The AGA will be best positioned to advance our collective interests through inclusivity, transparency and a focus on issues of common cause. I am confident that the AGA and our industry are moving in the right direction.”

The six new board members are: CG Technology, Greenwood Racing, Inc., Konami Gaming, Inc., Las Vegas Convention and Visitors Authority (LVCVA), Seminole Hard Rock Gaming and William Hill. New general members of the Association include: Ainsworth Game Technology; Electronic Transaction Systems (ETS); and FinScan.

“Our goal is to elevate the AGA’s ability to advocate for the entire gaming industry – in Washington, in the media and in communities across America,” said Mr. Freeman.