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# The MICHIGAN GAMING Newsletter



## MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR AUGUST 2015; CASINOS' LICENSES RENEWED FOR ONE YEAR

The Michigan Gaming Control Board (“MGCB” or “Board”) released the August, 2015 total adjusted revenue figures for the three Detroit casinos—MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Overall, the revenue for the Detroit market was down 4.6% compared to the same reporting period last year. The MGCB also accepted the Staff’s recommendation to renew the state casino licenses for MGM Grand Detroit, MotorCity Casino and Greektown Casino for one year.

| Month in 2015 | Total Adjusted Revenue 2015 |                         |                         |
|---------------|-----------------------------|-------------------------|-------------------------|
|               | MGM Grand Detroit           | MotorCity Casino        | Greektown Casino        |
|               | Total Adjusted Revenue      | Total Adjusted Revenue  | Total Adjusted Revenue  |
| January       | \$46,227,016.63             | \$38,061,452.27         | \$26,733,375.86         |
| February      | \$47,523,251.14             | \$39,023,483.79         | \$27,875,609.34         |
| March         | \$49,824,133.92             | \$43,432,911.12         | \$30,646,861.38         |
| April         | \$51,849,138.07             | \$40,532,401.92         | \$28,167,335.92         |
| May           | \$51,747,439.96             | \$39,825,609.22         | \$28,242,004.16         |
| June          | \$47,328,471.77             | \$37,006,364.49         | \$25,595,355.54         |
| July          | \$48,731,187.77             | \$38,735,882.74         | \$27,306,479.48         |
| August        | \$43,554,725.44             | \$37,075,822.19         | \$26,823,834.55         |
| <b>Total</b>  | <b>\$386,785,364.70</b>     | <b>\$313,693,927.74</b> | <b>\$221,390,856.23</b> |

| Month in 2015 | Total Adjusted Revenue and Taxes 2015 |                          |                            |
|---------------|---------------------------------------|--------------------------|----------------------------|
|               | All Detroit Casinos                   |                          |                            |
|               | Total Adjusted Gross Receipts         | Total State Wagering Tax | Total Detroit Wagering Tax |
| January       | \$111,021,844.76                      | \$8,992,769.43           | \$12,101,381.08            |
| February      | \$114,422,344.27                      | \$9,268,209.89           | \$12,472,035.53            |
| March         | \$123,903,906.42                      | \$10,036,216.42          | \$13,505,525.80            |
| April         | \$120,548,875.91                      | \$9,764,458.95           | \$13,139,827.47            |
| May           | \$119,815,053.34                      | \$9,705,019.32           | \$13,059,840.81            |
| June          | \$109,930,191.80                      | \$8,904,345.54           | \$11,982,390.91            |
| July          | \$114,773,549.99                      | \$9,296,657.55           | \$12,510,316.95            |
| August        | \$107,454,382.18                      | \$8,703,804.96           | \$11,712,527.66            |
| <b>Total</b>  | <b>\$921,870,148.67</b>               | <b>\$74,671,482.04</b>   | <b>\$100,483,846.21</b>    |

Year-to-date aggregate revenue for the three Detroit casinos was up by 3.4 percent through August compared to the first eight months of 2014. Specifically, revenue for MGM Grand Detroit, MotorCity Casino, and Greektown Casino was down by 7.7%, 2.2%, and 2.6% respectively, during August, 2015 when compared to the same month last year.

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 market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino for August 2015 were 41%, 34%, and 25%, respectively.

The figures released by the 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, services providers or vendors; and 4) other normal business expenses.

## GREEKTOWN CASINO-HOTEL DEVELOPMENTS

Brian Eby, Greektown Casino-Hotel's CEO and General Manager, has now become the senior vice president of gaming operations for Rock Gaming. Jason Gregorec has been named the new CEO and General manager of Greektown according to a report in *Crain's Detroit Business*. Both Mr. Eby and Mr. Gregorec have been part of the Rock team that has successfully guided Greektown Casino-Hotel since its acquisition.

## FOUR WINDS OFFERING DISCOUNTS IN COMMEMORATION OF 9/11

Today, in commemoration of 9/11, the Pokagon Band of Potawatomi Indians' Four Winds Casinos are offering discounts at its restaurants for veterans, former or current police officers, firefighters, and EMT's.

All veterans, former or current police officers, firefighters, and EMTs and up to one guest may enjoy fifty percent off a lunch or dinner buffet at The Buffet, or 50 percent off a meal at Hard Rock Café (up to \$20) at the Four Winds New Buffalo. They can also visit any property to receive the same discount at Timbers Fast Food & Deli (up to \$10).

## GLOBAL GAMING EXPO PREVIEW— STATE ISSUES

In advance of the upcoming 2015 Global Gaming Expo ("G2E"), held September 29 – October 1 at the Sands Expo and Convention Center in Las Vegas, *The Michigan Gaming Newsletter* has included a review of current issues facing the gaming industry that will likely be topics of discussion during the conference. There have been several unique developments over the past year that will provide Michigan industry members opportunities for growth into new areas and for new methods of attracting customers.

Below is a brief summary of some of these issues, along with the associated events scheduled for this year's expo. For a complete schedule of events at G2E, [please click here](#).

### Tribal Gaming

There have been several national and state-level issues facing Native American gaming activities that will have significant effects on the state's tribal industry. In July, legislation was introduced in the US Senate that, if passed, would ease restrictions on land acquisitions in Indian Country and attempt to clarify existing laws in light of the Supreme Court's 2009 decision in *Carciari v. Salazar*. The bill, the Interior Improvement Act, has been referred to the Senate Indian Affairs Committee. The legislation may impact the current

litigation surrounding the Sault Ste. Marie Tribe of Chippewa Indians' attempt to acquire land in downtown Lansing for a gaming facility, which is awaiting the judge's ruling on the tribe's request to dismiss the state-initiated lawsuit.

In addition, this year federal courts ruled in two cases involving Michigan tribes that federal labor laws apply to tribal gaming properties. Under these decisions, tribes are subject to the jurisdiction of the National Labor Relations Board and must comply with its employee organization and other labor regulations regarding tribal gaming properties.

In June, the Gun Lake Tribe ceased making tribal revenue sharing payments to the state due to its claim that the state's iLottery violates exclusivity provisions within its compact. The decision comes amidst the state's ongoing compact renewal negotiations with a number of Michigan tribes whose compacts expired in 2013.

Sessions that may address these issues at this year's G2E include the following (please note that the schedule is subject to change):

- Tribal Overview: The State of Indian Gaming – September 28, 9-10am (Veronese 2402)
- Tribes and Land: Trusting the Government – September 28, 10:15-11:15am (Veronese 2402)
- State Incursions into Tribal Government Gaming: Recent Developments – September 28, 1:15-2:25pm (Veronese 2402)
- Integrated Resorts: Emergence in Indian Gaming – September 29, 11:45-12:45am (Veronese 2502)
- In-Depth Discussion: NIGC Update – September 29, 3:15-4:15pm (Veronese 2502)
- The Online Reservation: The Tribal View of iGaming – September 30, 10:30-11:30am (Veronese 2502)

For a more detailed overview of current tribal issues, please see *The Michigan Gaming Newsletter's* previous coverage in [Issue 26, Volume 21 \(National Issues\)](#), and [Issue 27, Volume 21 \(State Issues\)](#).

## Fantasy Sports

On September 9, 2015, State Senator Curtis Hertel, Jr. introduced Senate Bill 459 which, if passed, would clarify that fantasy sports games that meet certain federal legal requirements are exempt from the state's general Penal Code gambling prohibitions. The legislation has spurred a wide-ranging discussion across the state regarding the relationship between fantasy sports operations and current gambling laws and regulations. Similar legislation has been passed in Maryland and Kansas that specifically authorize such contests, while other jurisdictions, such as Arizona, Iowa, and Louisiana do not permit fantasy sports games played for money under various state laws and attorney general opinions.

As fantasy sports operations continue to grow, the industry will likely consider if and how to incorporate these types of activities into current operation portfolios. Sessions at G2E that may be of interest to those following these developments include:

- Blurring the Lines: Lotto, Sports Betting, iGaming, Social and Fantasy Join Casinos – September 29, 10:30-11:30am (Bellini 2104)
- Regulation of Sports Betting and Daily Fantasy Sports in the United States: Questions Abound – September 29, 11:45am-12:45pm (Marco Polo 802)
- Business Threat or Opportunity: Sports Betting, Daily Fantasy and the Ongoing Debate – September 29, 2-3pm (Titian 2301)

In addition to the issues noted above, the G2E seminars will include a range of other topics on current and potential industry developments. These topics include iGaming advances, skill-based wagering, changing consumer demographics, as well as a range of other important issues. For a complete event schedule for G2E, including information on seminars, please visit the conference website [here](#).

## GLOBAL GAMING EXPO EARLY BIRD SPECIALS EXPIRE MONDAY

Early Bird Discounts for the 2015 Global Gaming Expo (G2E), to be held at The Sands Expo and

Convention Center in Las Vegas, Nevada, from September 28 to October 1, expire on Monday, September 14.

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.

This year's show will also debut the "Integrated Resort Experience at G2E," which will present innovated non-gaming technology, products and services as casino guests would experience them in a gaming-resort setting. Show presenters state that the new program will deliver a complete end-to-end solution to help casinos attract more guests, encourage them to stay and play longer, and increase revenue per visitor.

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 register, or for more information about G2E, please visit [www.globalgamingexpo.com](http://www.globalgamingexpo.com).

## IAGA HONORS LUNCHEON— SEPTEMBER 29 AT G2E

On Tuesday, September 29, 2015, the International Association of Gaming Advisors ("IAGA") will be holding its annual IAGA Honors Luncheon at 12:45 p.m. at the Sands Convention Center during the 2015 Global Gaming Expo.

The annual event seeks to recognize significant contributions of a global gaming industry executive. This year's Luncheon will honor the impact Nevada attorney and former regulator Frank Schreck has had on gaming law and regulation.

Mr. Schreck has nearly 40 years of experience representing many public and private gaming companies and is the current chair of Brownstein Hyatt Farber Schreck's Gaming Law Practice. He has also served as IAGA President in 1990 and is also a former member of the Nevada Gaming Commission.

The luncheon will also announce the 2015 recipients of the Shannon Bybee Scholarship, an annual award established to honor the memory of Shannon Bybee, one of IAGA's founders, by awarding prizes for the best scholarly research papers written by accredited law school students during the school year.

Space is limited, and registration is required. Through September 15, IAGA members in good standing can attend for \$25 per person, a 50% discount off the full luncheon price. To RSVP, click [here](#).