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The MICHIGAN GAMING Newsletter



MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR MAY 2017

On June 13, 2017, the Michigan Gaming Control Board (“MGCB” or “Board”) released the May 2017 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 up 1.2% when compared to the same reporting period last year.

Month in 2017	Total Adjusted Revenue 2017		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$47,122,785.88	\$38,437,983.01	\$26,444,022.40
February	\$48,090,071.92	\$40,560,815.83	\$28,590,936.09
March	\$54,150,615.38	\$45,102,231.26	\$31,950,728.99
April	\$49,596,029.88	\$42,121,055.77	\$29,280,455.10
May	\$50,523,650.08	\$40,664,492.10	\$28,757,824.72
Total	\$249,483,153.14	\$206,886,577.97	\$145,023,967.30

Revenue increased at MotorCity and Greektown casinos, but declined at MGM Grand Detroit compared with May 2016. Specifically, MotorCity revenue increased 4.2 percent to \$40.7 million, and Greektown was up 4.1 percent to \$28.8 million. MGM revenue fell 2.7 percent to \$50.5 million.

Month in 2017	Total Adjusted Revenue and Taxes 2017		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax*
January	\$112,004,791.29	\$9,072,388.09	\$13,328,570.16
February	\$117,241,823.84	\$9,496,587.73	\$13,951,777.04
March	\$131,203,575.63	\$10,627,489.63	\$15,613,225.50
April	\$120,997,540.75	\$9,800,800.80	\$14,398,707.35
May	\$119,945,966.90	\$9,715,623.32	\$14,273,570.06
Total	\$601,393,698.41	\$48,712,889.57	\$71,565,850.11
*Total includes wagering tax and development agreement payments to the city of Detroit as reported by the casinos			

All three casinos are subject to a wagering tax of 19%, with 10.9% of this levy payable to the City of Detroit and 8.1% payable to the State of Michigan.

The April 2017 market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino were 42%, 34%, and 24%, 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; nor 4) other normal business expenses.

FIREKEEPERS CASINO HOTEL APPOINTS NEW CEO

Last month, Jamie Stuck, Tribal Council Chairperson of the Nottawaseppi Huron Band of the Potawatomi announced that Kathy George has been named as CEO of FireKeepers Casino Hotel. Ms. George had previously served as General Manager and Vice President of Hotel Operations at FireKeepers Casino Hotel.

“Kathy George brings a wealth of talent and commitment to excellence to her new role on the FireKeepers team,” said Chairman Stuck. “She has been instrumental in building FireKeepers’ stellar reputation and laser focus on customer satisfaction and we are confident that with her superior leadership and top-notch skills, we will build on that success and ensure that FireKeepers remains the casino, hotel and employer of choice.”

Ms. George began her career with Wyndham Hotels and Resorts, spending 13 years in all areas of the hotel operations, including seven years as a General Manager. She spent more than four years in New York with the Seneca Gaming Corporation owned and operated by the Seneca Nation of Indians, where

she served in several management roles including General Manager for the Casino and Hotel at Seneca Niagara as well as their Buffalo Creek Casino.

Ms. George also sits on the Board of Directors for the Calhoun County Visitors Bureau, plays a large role in raising funds for S.A.F.E. Place, the area's domestic violence shelter, and has served as the Tournament Director for the FireKeepers Casino Hotel Championship, a stop on the Symetra Tour – Road to The LPGA.

"It is an honor to be selected to lead the FireKeepers Casino Hotel Team as CEO," Ms. George said. "The entire FireKeepers Casino Hotel team is committed to being the casino of choice and I look forward to the opportunity to continue this and help lead us into our bright future."

Ms. George has a Bachelor of Science in Hotel Administration from Cornell University's School of Hotel Administration, where she also served as a 2008 Dean's Distinguished Lecturer. She was a recipient of Business First's 40 Under 40 award in 2008.

POLLARD BANKNOTE AWARDED \$5.6M PULL-TAB TICKET CONTRACT BY MICHIGAN LOTTERY

On June 14, 2017, Pollard Banknote Limited ("Pollard") announced that it has been awarded a contract to serve as the sole supplier of validation pull-tab tickets and related services for the Michigan Lottery. The contract will run until December 31, 2022, with the potential for three additional one-year extensions, and its contract value (including the renewals) is estimated to be \$5.6 million.

Since 2003, the company has printed nearly half a billion pull tabs for the Michigan Lottery through its subsidiary, American Games. In FY2016, pull-tab tickets generated approximately \$32 million in revenue for the Michigan Lottery.

"Pollard Banknote has consistently proven to be a leader in the lottery industry with its state-of-the-art innovations and services. We are pleased that the company will continue to serve as our pull-tab ticket supplier," said Aric Nesbitt, Commissioner of the Michigan Lottery. "Pollard Banknote provides unparalleled industry knowledge and strategies that have improved the financial performance of our pull-tab products. We look forward to working with Pollard Banknote to develop future innovations that help support the Lottery's mission of providing funds for public education in Michigan."

According to Pollard, this award extends its 21-year relationship with the Michigan Lottery, which began in 1996. Pollard continues to serve as the Michigan Lottery's primary supplier of instant tickets and also provides games to its online gambling platform through its partnership with NeoGames.

CSDC TO PROVIDE MICHIGAN GAMING CONTROL BOARD WITH SYSTEM TO DIGITIZE RECORDS AND DOCUMENTS

On June 15, 2017, CSDC Systems announced that it will provide its AMANDA Enterprise Platform to the Michigan Gaming Control Board ("MGCB") to more easily and effectively license and regulate gaming activity within the state. According to CSDC, its system will create a more modern collaborative operating environment that digitizes the MGCB's records and documents thus allowing MGCB

employees to more easily locate and share—both internally and with the public—information needed to oversee gaming in the state.

“We identified a new information management system as a key element of our agency’s strategic plan for continuous improvement,” said Richard Kalm, MGCB executive director. “Our agency requires up-to-date information technology tools to achieve customer service excellence through effective application of Michigan gaming and horse racing laws and regulations.”

Under its five-year, multimillion dollar contract CSDC and Unisys will configure the AMANDA Enterprise Platform to support a broad variety of activities associated with licensing and regulating casinos, horse racing and "millionaire party" charitable gaming events.

For more information on CSDC and AMANDA, visit: <http://www.csdcsystems.com>.