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The _____ MICHIGAN GAMING _____ Newsletter



AGA Members Expect Positive Growth for Gaming Industry in 2022

According to a press release issued this week, the American Gaming Association's (AGA) newly launched Gaming CEO Outlook shows confidence in expanded industry growth, with almost half of AGA-member CEOs expecting improved business conditions into 2022. Participating CEO positivity is driven by anticipated increases in new hiring (71%), wage growth (63%), and capital investment (39%).

"AGA's inaugural Gaming CEO Outlook reflects the strength of our recovery and consumer demand for our world-class entertainment offerings," said Bill Miller, AGA president and CEO. "The promising outlook is built on our innovation, but like many industries, supply chain and worker shortages continue to slow our full recovery."

While the overall outlook is positive, challenges remain. More than two-thirds (71%) of CEO respondents cited supply chain issues as a factor limiting operations. Labor force shortages (63%), consumer health concerns (46%), and lagging meetings and events demand (38%) are also widely cited as impeding short-term growth.

The Gaming CEO Outlook, prepared for the AGA by Oxford Economics, provides a snapshot of the current and future economic health of the industry based on executive sentiment, employment, casino visitation plans, gaming revenue, and other key economic indicators. The results are informed by a survey of AGA member CEOs and executives representing equipment suppliers, casino operators, and sportsbooks. The Q3 2021 survey was conducted between August 16 and September 14, 2021. A total of 24 executives responded, including executives at the major international and domestic gaming companies,

tribal gaming operators, single unit casino operators, major gaming equipment suppliers, and major iGaming and/or sports betting operators.

“We are a more resilient industry because of the COVID-19 pandemic,” said Aristocrat Technologies CEO and AGA Chairman Trevor Croker. “As the gaming industry looks to 2022 and beyond, our impressive recovery will continue to create jobs, support communities, and generate needed taxes.”

The Gaming CEO Outlook includes two separate indices, the Current Conditions Index and the Future Conditions Index—both of which reflect strong business conditions.

Current Gaming Conditions

The Current Conditions Index of 115.1 reflects exceptionally strong growth in gaming revenue, employment, and employee wages and salaries over the past quarter. This represents one of the fastest periods of growth in the industry over the past 20 years. Notably, all CEO panel participants assessed the current gaming business climate as “good” (54%) or “satisfactory” (46%).

Looking Ahead: Expansion Continues

The Future Conditions Index, which provides a leading indicator of changes in industry conditions, also shows positive results at 102.7. Nearly half of gaming executives expect future business conditions to further improve from today’s already strong climate, and just nine percent expect conditions to deteriorate over the next six months.

Among gaming operators, half plan to increase hotel and food and beverage amenities, while 43 percent plan to increase capital investments in gaming machines.

Gaming suppliers are also optimistic: over the next six months, 75 percent expect sales of gaming units for replacement use to increase and 63 percent expect sales of new units to improve.

The gaming industry’s recovery, including a record-breaking second quarter, is well underway and

current executive sentiment points to a robust end of the year and strong start to 2022.

MGCB Public Meeting Scheduled for Tuesday, October 12

The Michigan Gaming Control Board (“MGCB”) will hold a virtual regular public meeting on Tuesday, October, 12, 2021. The meeting will begin at 9:30 AM and will be accessible via Zoom.

The MGCB will consider approval of occupational licenses, supplier licenses, supplier license renewals, and the approval of some acknowledgements of violations among other issues. The full agenda for the October meeting may be found [here](#).

The meeting is open to the public virtually, and comments from the public are welcomed and encouraged during the public comment portion of the meeting.

The meeting will be accessible to the public via Zoom at this [link](#).

AGEM Announces Daron Dorsey as New Executive Director

On October 4, the Association of Gaming Equipment Manufacturers (AGEM) announced the appointment of Daron Dorsey as its new Executive Director. Dorsey will begin his new role on March 1, 2022.

As a graduate of the University of Nevada – Las Vegas (UNLV), Dorsey has maintained a relationship with the city as a long-time legal professional. Dorsey began his legal career as an attorney at two established law firms and later transitioned to General Counsel at William Hill US.

“Daron’s broad knowledge base, diverse skill set, and experience will be tremendous assets as he

assumes this new role,” affirmed AGEM President David Lucchese.

After his time at William Hill, Dorsey served as Senior Vice President, General Counsel & Group Compliance Officer at Ainsworth Game Technology in Las Vegas and, since 2016, has worked as an officer and General Counsel of AGEM.

According to Lucchese, “Daron’s manufacturer background and familiarity with AGEM make him a perfect fit to step in.”

Dorsey is also a Trustee for the UNLV Foundation and serves in the Alumni Leadership Circle, the Dean’s Advisory Council, the Gaming Law Advisory Board, and the Law Fund for UNLV’s William S. Boyd School of Law. For his continued service to the UNLV School of Law and the legal profession, Dorsey was awarded the law school’s Alumnus of the Year award in 2017.

Reflecting on his new role, and the work of his predecessor Marcus Prater, Dorsey expressed his hope that “AGEM can further build on what it has already accomplished and continue to foster a business environment where its members prosper.”

AGEM Announces Winners of Two Prestigious Awards

At the 2021 Global Gaming Expo, the Association of Gaming Equipment Manufacturers (AGEM) announced the recipients of two of its unique awards. Sebastian Salat was selected as the recipient of the Jens Halle Memorial Award Honoring Excellence in Commercial Gaming Professionalism, and Alan Feldman received the Peter Mead Memorial Award Honoring Excellence in Gaming Media and Communications.

Sebastian Salat has accumulated over 35 years of experience in the gaming industry. From his beginnings at Unidesa Gaming, where he spent 12 years as Managing Director, to his work at WMS Gaming, where he became President –

International, “Salat has been traveling the world selling gaming machines for decades and was one of the few who could give Jens Halle serious competition,” according to AGEM President David Lucchese. Salat’s stellar reputation “for international customer engagement and the placement of machines in casinos,” paired with his current endeavors in the global video bingo and video slot machine markets as CEO at Zitro, confirm his status as one of the industry’s most successful electronic gaming machine salesmen.

Alan Feldman played a major role in the evolution of the gaming industry, where he has filled several communications and public affairs positions for Mirage Resorts and MGM Resorts International for nearly 30 years. His work included the development of communications strategies to launch new resorts in Las Vegas and around the world and to guide the gaming industry through times of crisis. “Alan has been ‘the voice’ of the industry,” said AGEM Executive Director Marcus Prater. “He has earned the respect of industry peers and the media alike with his professionalism and honesty through good times and bad.” Feldman maintains his commitment to responsible gaming as the current Chairman of the International Center for Responsible Gaming and as Distinguished Fellow in Responsible Gaming for the University of Nevada – Las Vegas International Gaming Institute.

Both Salat and Feldman were selected for their respective awards because they were found to embody the professionalism and integrity demonstrated by the namesakes of their awards, according to AGEM.