

September 6, 2007

Volume 13, Issue 21

The MICHIGAN GAMING Newsletter

For more information on Michigan's gaming industry, please visit www.michigangaming.com

Editor in Chief:

David D. Waddell, Esq.

Phone: 517.507.3859

Waddell@rmclegal.com

*Senior Gaming Analyst
& Editor:*

Robert R. Russell, II

Phone: 517.507.3858

Russell@rmclegal.com

Reporter

Douglas L. Minke

Phone: 313.221.9380

minke@rmclegal.com

Subscription information:

info@michigangaming.com

A publication of

RMC Ventures, LLC

University Place Center
333 Albert Ave, Suite 450
East Lansing, MI 48823
Phone: 517.507.3860
Fax: 517.908.0235
www.rmclegal.com



OFFICE OF RACING COMMISSIONER RECEIVES RACE DATE APPLICATIONS: TWO THOROUGHBRED APPLICATIONS ARE FILED

The Office of Racing Commissioner ("ORC") reported that it received applications from all four existing harness tracks, and Mt. Pleasant Meadows last week. Additionally, the Racing Commissioner received applications for thoroughbred race dates from two companies, and received two additional "letters of interest" expressing an interest in conducting thoroughbred racing.

Friday August 31st was the deadline for the submission of 2008 race date applications under state law. The racing commissioner has set a hearing on the race date applications for October 8th, and is expected to announce the final approved race dates on October 31st. The ORC is in the process of reviewing the applications.

Long time supporters of the horse racing industry, Jerry and Lisa Campbell, partnered up with Henry Mast to form the new applicant "Post-It Stables" which has applied for race dates for a Wayne County thoroughbred track facility. Notably, this company also submitted an application for a track license for the area. If approved, and if this project moves forward, it would mean a return of thoroughbred racing to the Detroit metropolitan area. Significantly, Mr. and Mrs. Campbell came to the rescue of the thoroughbred industry when Ladbroke pulled out of the state years ago and financially supported the opening of Great Lakes Downs in Muskegon.

The second company that formally applied is Cooper Racing Corporation, which is owned by Winfield Cooper III, a commercial real estate developer from Flint. He applied to run a meet at the existing Great Lakes Downs facility in the summer of 2008.

(Continued on next page)

Fruitport Township supervisor Ron Cooper submitted a “letter of interest” to the state on behalf of the township expressing an interest in having racing at Great Lakes Downs. He had the approval of the Township to do so.

Additionally, Jim Marriott filed a letter expressing interest in conducting thoroughbred racing in Romulus. Notably, however, no application for a track license was submitted.

ORC spokes person Liana Bennett said: “We are very pleased”. She noted that at the beginning of last week, the Racing Commissioner was concerned over the possibility that there would not be any thoroughbred racing in Michigan next year. Now, they have two formal applicants, one on the west side of the state, and another in the Detroit metro area, plus two other expressions of interest.

BILL SEEKS TO BOOST MICHIGAN TOURISM FUNDING

Senator Jason Allen (R-Traverse City) recently introduced SB 690 in the Michigan Senate, a bill which seeks to increase funding for the state’s Travel Michigan tourism agency up to \$30 million per year. Michigan’s current tourism advertising promotion budget of \$5.7 million annually ranks 42nd in the nation in terms of tourism promotion spending. Supporters of SB 690 claim that research results show that every \$1 invested in tourism promotion generates \$2-\$3 in new sales tax and fees revenue for state governments. In a recent press release, R.D. Musser, III one of the co-chairmen of the business coalition group Tourism Improving Michigan’s Economy (TIME) stated:

“Increasing the Pure Michigan ad budget to \$30 million will generate \$60 million to \$90 million without raising taxes or fees. This is a smart investment that will pay for itself two or three times over in new revenues to the state and in new jobs as well.”

The Pure Michigan advertising campaign was recently named the best tourism television commercial in the country by the Travel Industry Association of America. Furthermore, state tourism leaders are also encouraged by the perceived success of Public Act 144 of 2005, the state law which prohibits public schools from starting the school year before Labor Day. Early reports suggest a “significant up tick” in hotel occupancy in Michigan over the past Labor Day weekend. State officials have also reported an increase in the

state’s tourism website (www.michigan.org/travel), which, among other things, prominently promotes Michigan’s Native American casinos.

SB 690 has been referred to the Senate Committee on Appropriations where it awaits further action.