November 19, 2007

Volume 13, Issue 31

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

MICHIGAN GAMING Newsletter



GLOBAL GAMING EXPO KEYNOTE SESSION FOCUSES ON INTERNET GAMING

he Global Gaming Expo's ("G2E") Keynote Panel Session, entitled "State of the Industry: Internet Gambling at the Crossroads" was held on Wednesday, November 14. This panel, which was moderated by Frank Fahrenkopf, president and CEO of the American Gaming Association, included Gary Loveman, chairman, CEO and president of Harrah's Entertainment, Inc., former U.S. Senator Alfonse D'Amato, chairman of the Poker Players Alliance, Terri Lanni, chairman and CEO of MGM MIRAGE, and Andre Wilsenach, CEO of the Alderney Gambling Control Commission. The Keynote Panel Session was also supposed to include the Honorable Shelley Berkley, U.S. House of Representatives (D-NV), but Rep. Berkley was called back to Washington, D.C. for a House Committee hearing on HR 2140, which would call for a study of the feasibility of internet gaming legalization, regulation and taxation.

Frank Fahrenkopf opened the panel discussion by giving a summary of the current status of the law as it relates to internet gaming, including the Wire Act of 1961 and the Interstate Horse Racing Act, as well as discussing the current bills pending in Congress, including the bills sponsored by Rep. Barney Frank (D-NJ) (HR 2046 - to legalize, license and regulate internet wagering), Rep. Robert Wexler (HR 2610 - to declare poker, and certain other games, as games of skill, thus exempting them from the Wire Act's provisions), and Rep. Berkley's HR 2140.

Terri Lanni shared MGM's experience in operating an on-line wagering website in legal jurisdictions, licensed by the Isle of Man. He said that their experience showed that it was indeed possible to verify an on-line player's age and location, as well as address on-line problem gambling concerns. Though MGM's on-line gaming website was not profitable and was eventually shut down, Mr. Lanni stated that his company will be well-positioned to enter the on-line wagering market when the U.S. legalizes internet gaming, something he believes will eventually happen.

(Continued on page 2)

Senator Alfonse D'Amato, now representing the Poker Players Alliance (PPA), an organization whose membership now exceeds 800,000 members, said that it is the PPA's plan to make the legalization on on-line poker an issue in every congressional district. According to Sen. D'Amato, "we [the PPA] will win this battle", citing to the point that the World Trade Organization has found the U.S. to be in violation of treaty obligations, and will be issuing formidable sanctions against the U.S., and in turn, this could lead to less protection of U.S. company intellectual property rights overseas.

Andre Wilsenach of the Alderney Gaming Commission spoke to the fact that the passage of the Unlawful Internet Gambling Enforcement Act (UIGEA) has had an impact on the regulation and licensure of on-line gaming operators, though things are starting to return to normal. However, Mr. Wilsenach said that a number of reputable on-line gaming operators have left the U.S. online wagering market following the passage of UIGEA, leaving a number of questionable operators who still are accepting wagers from U.S. citizens. This, according to Mr. Wilsenach, has lead to a minimal amount of player protection, leaving U.S. citizens who continue to place wagers online exposed.

Gary Loveman echoed the sentiments of the other panelists, stating that he believed internet gaming is something that should, and will, eventually, be allowed in the U.S. He also stated his belief that the technology exists to operate internet gaming with all requisite responsible gaming safeguards, in the same manner as these issues are handled in the land-based casinos.

Following the Keynote Session, the panel took questions from the audience. Notably, in response to a question regarding a timeline on the legalization of internet gambling, Senator D'Amato, Mr. Lanni and Mr. Loveman, all expressed the opinion that they believed on-line poker and internet gambling will become legalized in the U.S., with Mr. Loveman expressing the opinion that on-line poker may be legalized between 18 months and two years, thought internet gambling may not become legalized for another 8 to 10 years.

AMERICAN GAMING ASSOCIATION ANNOUNCES 7TH ANNUAL COMMUNICATION AWARDS

n Volume 13 Issue 29 of the Michigan Gaming Newsletter, we outlined the finalists in the AGA Communication Awards competition. On Monday, November 12, the AGA announced the winners during its annual Communication Awards Presentation and Luncheon held as part of the Global Gaming Expo at the Las Vegas Convention Center. The awards luncheon, which was hosted by AGA president Frank Fahrenkopf, presented awards to 12 Las Vegas-based casino companies, as well as commercial and Native American gaming companies from Iowa, Minnesota, Mississippi, Missouri, Oregon and New York.

Best Commercial or Native American Casino Annual Report:

MGM MIRAGE

Best Broadcast Advertisement: Television

Mandalay Bay Resort and Casino- "Wonderlay Bay -New Brand TV"

Best Customer Publication

Boyd Gaming Corporation – "Echelon Magazine"

Best Direct Mail: Single Piece

Mandalay Bay Resort & Casino - "Mariah Carey Invitation"

Best Direct Mail: Campaign

Turning Stone Resort & Casino – "Turning Stone **Brochure Series**"

Best Employee Communications Campaign

Ameristar Casinos, Inc. – "Ameristar Casinos: Workplace Giving"

Best Employee Publication

Ameristar Casinos, Inc. - "Winning"

Best Outdoor Advertisement: Single Piece

Station Casinos, Inc. - "Fortune 100"

Best Outdoor Advertisement: Campaign

Beau Rivage Resort & Casino – "Just Over an Hour"

Best Print Advertisement: Single Ad

Mandalay Bay Resort & Casino - "StripSteak Brand

Best Public Affairs Campaign

MGM MIRAGE – "City Center Residential Sales Launch"

Best Web Site

Treasure Island Resort & Casino www.theislandiscallingvou.com

(Continued on page 3)

Persons interested in learning more about the AGA Communication Awards are encouraged to visit the AGA website at www.americangaming.org.

AMERICAN GAMING ASSOCIATION PRESENTS WHITE PAPER ON CASINO WORKFORCE ATTITUDES

n Tuesday, November 13, and in conjunction with the Global Gaming Expo, the American Gaming Association ("AGA") presented its white paper entitled, "A Survey of Casino Industry Employees." The report, based on a survey of 501 casino employees, concludes that more than 85% of the casino workforce find their job satisfying. The survey results also revealed that a majority of casino employees found that their benefits, pay and opportunities for advancement are better in their current jobs than in their prior jobs.

In a press release, AGA President Frank Fahrenkopf stated, "[t]hese results confirm what those in the gaming industry have known for years. The business understands the importance of keeping its employees satisfied. The industry has become a permanent and growing part of the communities where we operate, which means opportunity and job security."

Nearly half of the employees surveyed states that they plan to work in the casino industry for the next 10 years. The report also revealed that 83% of those surveyed said they would strongly recommend casino employment to others, and that industry employees recognize and support the gaming industry's efforts to be socially responsible and give back to their communities.

The full text of "A Survey of Casino Industry Employees" can be found online at: www.americangaming.org.