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# The MICHIGAN GAMING Newsletter



## MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR OCTOBER 2011

The Michigan Gaming Control Board (“MGCB” or “Board”) has released the October, 2011 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Overall, aggregate revenue for the Detroit Market was up by 1.7% from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino and MotorCity Casino was up by 3.3% to \$48.3 million and 0.9% to \$37.7 million, respectively in comparison to the same month last year, while revenue for Greektown Casino remained the

Month in 2011	Total Adjusted Revenue 2011		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$48,709,927.15	\$38,680,985.61	\$27,673,308.06
February	\$46,916,833.57	\$38,591,311.83	\$28,992,514.21
March	\$54,466,307.80	\$45,244,701.71	\$33,101,456.98
April	\$52,162,289.78	\$41,512,570.85	\$31,657,354.70
May	\$51,196,720.20	\$38,800,817.32	\$30,042,825.97
June	\$47,531,731.66	\$36,826,112.83	\$28,949,876.41
July	\$50,966,222.78	\$40,090,240.13	\$29,050,954.03
August	\$49,579,309.45	\$38,037,787.80	\$27,470,288.34
September	\$48,562,691.89	\$38,406,374.92	\$26,863,130.17
October	\$48,333,490.57	\$37,656,236.01	\$29,539,400.92
<b>Total</b>	<b>\$498,425,524.85</b>	<b>\$393,847,139.01</b>	<b>\$293,341,109.79</b>

Month in 2011	Total Adjusted Revenue 2011		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$115,064,220.82	\$9,320,201.89	\$12,542,000.07
February	\$114,500,659.61	\$9,274,553.43	\$12,480,571.90
March	\$132,812,466.49	\$10,757,809.79	\$14,476,558.85
April	\$125,332,215.33	\$10,151,909.44	\$13,661,211.47
May	\$120,040,363.49	\$9,723,269.44	\$13,084,399.62
June	\$113,307,720.90	\$9,177,925.39	\$12,350,541.58
July	\$120,107,416.94	\$9,728,700.77	\$13,091,708.45
August	\$115,087,385.59	\$9,322,078.23	\$12,544,525.03
September	\$113,832,196.98	\$9,220,407.96	\$12,407,709.47
October	\$115,529,127.50	\$9,357,859.33	\$12,592,674.90
<b>Total</b>	<b>\$1,185,613,773.65</b>	<b>\$96,034,715.67</b>	<b>\$129,231,901.33</b>

same in comparison to the same month in 2010 at \$29.5 million.

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 figures above do not include: 1) wages and benefits paid to casino employees; and 2) payments to suppliers, service providers or vendors.

## DETROIT CASINOS - LABOR AGREEMENT UPDATE

On Friday, November 4, 2011, workers at MGM Grand Detroit approved a new four-year labor agreement. The approval comes after workers opposed a prior proposed agreement last week and the parties went to mediation to resolve initial disputes.

The new labor agreement, negotiated between MGM Grand Detroit and the Detroit Casino Council (“Council”), will include signing bonuses for workers and eliminates annual health care premiums. In addition, workers will be asked to contribute to higher health care premiums and co-pays. It has been reported by Teamsters Local 372, one of the five unions that make up the Detroit Casino Council, that the measure passed by approximately a 3-1 margin.

The Council is a coalition of five unions, including Teamsters Local 372, UNITE-HERE Local 24, UAW Local 7777, Operating Engineers Local 547 and the Michigan Regional Council of Carpenters. The Council represents roughly 6,000 union casino workers in Detroit.

Detroit has the country’s fifth largest casino gaming market. The three Detroit casinos together employed 8,067 individuals and paid a total of \$418.61 million, including tips and benefits, to its employees in 2010.

*(Continued on page 3)*

## **THE MICHIGAN GAMING NEWSLETTER ACCEPTING NOMINATIONS FOR THE 2011 MICHIGAN GAMING INDUSTRY RECOGNITION AWARDS**

The publishers of *The Michigan Gaming Newsletter* are proud to announce that the Newsletter will be accepting nominations for its first annual *Michigan Gaming Industry Recognition Awards*. These awards recognize those individuals who are committed to furthering and preserving the vitality of casino gaming in the state of Michigan. Nominations will be accepted through December 15, 2011.

Categories include:

### **Gaming Executive of the Year**

This award will recognize a senior casino executive who has helped shape the Michigan casino-gaming landscape over the past decade with exceptional leadership and innovation.

### **Gaming Manager of the Year**

This award will recognize associate casino management personnel who have been recognized for their early success in the Michigan casino gaming market.

We ask for your help in nominating candidates for the *2011 Michigan Gaming Industry Recognition Awards*. To make a nomination, please fill out and submit the nomination form, which may be found by clicking [HERE](#) or email Mr. Blaine DeGracia for a ballot at [degracia@rmclegal.com](mailto:degracia@rmclegal.com).

## **CONGRESS TO HOLD HEARINGS TO ADDRESS INTERNET GAMBLING**

Next week, U.S. Senate and U.S. House panels have scheduled hearings to examine potential issues surrounding the legalization of Internet gambling.

On Thursday, November 17, the U.S. Senate Committee on Indian Affairs will hold a hearing entitled “The Future of Internet Gaming: What’s at Stake for Tribes?” Additionally, on Friday, November 18, the U.S. House Energy and Commerce Committee Subcommittee on Commerce, Manufacturing and Trade will hold a hearing as well, entitled “Internet Gaming: Regulating in an Online World.” The witness lists for both hearings have yet to be announced, but updates can be found on the committee websites or from the AGA, who will be closely monitoring the activity surrounding both hearings.

“The flurry of hearings clearly shows how momentum is building for Congress to move on this issue,” Michael Waxman, spokesman for the Safe and Secure Internet Gambling Initiative told *The Las Vegas Review-Journal*. According to the *Review-Journal*, it is believed these hearings were fueled by the October 25 subcommittee session in which lawmakers heard the pros and cons for legalizing, regulating and taxing online poker. Indian tribes, academics, and coalitions backed by poker players and casino companies gave testimony to online gaming’s potential source of revenue and their desire to operate legal domestic sites. Interest was furthered after poker advocates called on the House-Senate debt reduction “supercommittee” to include an online gaming initiative to its recommendations that are due to Congress by Thanksgiving.

More information on this issue will be available soon and a webcast of the Senate hearing will be available on November 17th, at <http://indian.senate.gov>.

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## **PERRON DEFEATS PARKER IN THE RACE FOR THE BAY MILLS EXECUTIVE COUNCIL CHAIRMAN SEAT**

**T**he Bay Mills Indian Community reported on its official website, that Kurt Perron defeated incumbent Jeff Parker 321-273 during the November 2, 2011 election. Mr. Parker had held the leadership position for almost two decades and spent the last 10 years trying to open a \$300 million Bay Mills casino development in downtown Port Huron. Mr. Perron is less supportive of the casino bid and has made statements that he wants to reopen the Charlotte Beach Claim settlement.

Mr. Perron was not the only replacement on the Bay Mills Executive Council, as Joe LeBlanc defeated Allyn Cameron for the vice chairman's seat and Shelly Deuman lost to Levi Carrick, Sr., for the seat of chief judge. Shannon Belk and Justin Teeple will take seats as appellate judges and John Paul Lufkins and Dwight Teeple will remain on the council.

*The Michigan Gaming Newsletter would like to thank Sydney Terenzi for her contributions to this Newsletter.*