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# The MICHIGAN GAMING Newsletter



## MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR NOVEMBER 2008

On Wednesday, the Michigan Gaming Control Board (MGCB) released the November, 2008 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Revenue for MGM Grand, MotorCity Casino and Greektown

Month in 2008	Total Adjusted Revenue 2008		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
January	\$46,637,248.81	\$39,366,692.84	\$27,534,937.58
February	\$47,021,788.41	\$38,326,971.88	\$26,999,351.20
March	\$50,217,833.17	\$41,307,354.29	\$32,230,050.35
April	\$46,864,254.06	\$40,703,507.79	\$28,572,470.64
May	\$52,973,612.49	\$41,948,166.18	\$28,131,129.20
June	\$48,671,864.67	\$38,097,328.05	\$23,227,140.19
July	\$50,536,862.66	\$39,579,086.48	\$25,423,936.01
August	\$50,078,510.07	\$41,065,015.38	\$26,823,123.82
September	\$44,797,052.83	\$36,110,657.12	\$25,216,180.44
October	\$48,411,365.59	\$37,899,452.25	\$24,743,552.30
November	\$46,459,603.33	\$35,603,573.52	\$23,514,418.38
<b>Total</b>	<b>\$532,669,321.86</b>	<b>\$430,007,805.78</b>	<b>\$292,416,290.11</b>

casinos were down by .69%, 7.06%, and 16.36% respectively, in comparison to the same month last year.

The figures do not include: 1) the State of Michigan share of the wagering tax; 2) the City of Detroit portion of the wagering tax; 3) any fees or other relevant city, state or federal taxes; 4) wages and benefits paid to casino employees; and 5) payments to suppliers, service providers or vendors.

For Greektown Casino, the State of Michigan's share of the wagering tax is 12.1% and the City of Detroit's share is 11.9%, for a total tax of 24%. This 24% tax historically applied to all three Detroit casinos.

MGM Grand Detroit and MotorCity Casino received a tax base reduction certification as a result of their facilities being declared "fully operational" by the MGCB. These properties are now subject to a wagering tax of 19%, with a 10.9% of this levy to go to the City of Detroit and 8.1% to be paid to the State of Michigan.

## GREEKTOWN CASINO-HOTEL NEWS

On Wednesday, December 17, Greektown Casino announced changes to its Casino Management Board. These changes included the addition of Jacob Miklojcik, Louis Glazier, and Ted Gatzaros to the board. These gentlemen were all found suitable by the Michigan Gaming Control Board (MGCB) at its public meeting on Wednesday.

A December 17, 2008 press release by Greektown Casino provided information on each of the new members:

"Jacob Miklojcik, a casino gaming industry analyst based in Lansing, Michigan. Miklojcik provides financial and other business planning consulting services to gaming clients across the country. He assists clients in various industries with financial and economic impact analyses, business plan preparation, market analyses and other strategic consulting services. Miklojcik holds a bachelor of science degree from Carnegie Mellon University and a master of public policy from the University of Michigan.

Louis Glazier, a certified public accountant, attorney and principal at Franklin Advisors LLC, a Farmington Hills financial consulting firm specializing in corporate restructuring, turn around management and business planning. From 1975 to 1999, Glazier served as CFO of Thornapple Valley, a publicly traded company with more than \$1 billion in average yearly sales. He holds a bachelor of science degree from Wayne State University and a law degree from the University of Detroit School of Law.

Ted Gatzaros, a long-time Metro Detroit developer who has built and managed some of the state's most recognized and popular hospitality businesses, including Fishbone's Rhythm Kitchen Cafe, the Atheneum Suite Hotel and Conference Center in Detroit, and various office buildings and residential housing properties. Gatzaros is a minority shareholder in Greektown Casino."

The five-member Casino Management Board will also include currently-elected Chairman of the Sault Ste. Marie Tribe of Chippewa Indians (Sault Tribe), Joe McCoy. The Sault Tribe is the majority owner of Greektown Casino. The fifth member of the Board has yet to be named.

On December 9, 2008 Greektown Casino announced training will begin for 170 new full-time and part-time employees who will work in the casinos's new International Buffet, which is scheduled to open December 22. The casino is also in the process of hiring an estimated 150 additional employees to staff the new 400-room luxury hotel.

"We have many of the permanent casino positions already staffed, but we are still looking to fill about 150 additional positions," said General Manager of Hotel Operations Wayne Merritt. "Our goal is to have the entire hotel staff hired by mid-January so we can complete proper training and be ready to open in February."

## PROPOSED SMOKING BAN FAILS TO PASS LEGISLATURE

Early this morning, the Michigan Legislature concluded the 2008 legislative session without reaching an agreement regarding a state-

*(Continued on page 3)*

wide smoking ban. Despite strong efforts, including a final conference committee meeting which began at 12:40 a.m., the legislation failed to reach an agreement over the proposed ban (HB 4163).

In December, 2007, the Michigan House of Representatives passed a smoking ban which allowed an exemption from this prohibition for the Detroit casinos and cigar bars. On May 8, 2008, the Michigan Senate passed its substitute version for the bill, which provided for a “total” smoking ban, and removed the exemptions for cigar bars and the Detroit casinos. This Senate Substitute for HB 4163 was defeated in the Michigan House in September. Leadership from both chambers agreed to send the measure to a “conference committee” to seek to reach a compromise.

Thus, HB 4163 was not enacted into law during the 94th Michigan Legislature. As such, the bill has effectively died. If the smoking ban issue is going to be examined by the legislature in 2009, a new bill will need to be proposed.

## **NEW RESPONSIBLE GAMING PUBLICATION AVAILABLE**

This year the American Gaming Association (AGA) released the third edition of its *Responsible Gaming Statutes and Regulations* publication. The updated resource contains a compilation of statutes and regulations regarding responsible gaming in the 20 commercial and racetrack casino (Racino) states.

This year’s comprehensive edition includes, for the first time, Racino states, reflecting the importance of this growing segment of the casino industry. The statutes and regulations for each state are divided into seven general categories of potential forms of regulation including:

1. alcohol service;
2. credit and cash access;
3. funding and revenue sharing;
4. self-exclusion;
5. signage,
6. help lines and advertising;
7. training and education; and miscellaneous,

The resource also includes a quick-reference chart identifying each states’ respective regulations, as well as information on alcohol service policies and legal gaming age in each jurisdiction.

“Responsible gaming is an issue that everyone in the gaming industry takes very seriously, and this publication can serve as a valuable resource for industry professionals who need to comply with the important regulations outlined here,” said Frank J. Fahrenkopf, Jr., president and CEO of the AGA. “The inclusion of statutes and regulations from racino states is an important addition because this segment has been the primary mode of recent expansion for the gaming industry over the last several years.”

*Responsible Gaming Statutes and Regulations* is one of many responsible gaming resources available from the AGA. Other offerings include educational brochures, employee training resources and information about the AGA Code of Conduct. The first and second editions of *Responsible Gaming Statutes and Regulations* were published in 2002 and 2004, respectively.

A full copy of *Responsible Gaming Statutes and Regulations* can be downloaded at [www.americangaming.org](http://www.americangaming.org). Hard copies of the publication and the AGA’s other responsible gaming materials may be purchased from the e-store on the AGA Web site.