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The MICHIGAN GAMING Newsletter



MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR MARCH, 2014

The Michigan Gaming Control Board (“MGCB” or “Board”) released the March, 2014 total adjusted revenue figures for the three Detroit casinos—MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Overall, the revenue for the Detroit market was down 7.3% compared to the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino was down by 6.6%, 6.1% and 10.0%, respectively during March, 2014 compared to the same month last year.

Month in 2014	Total Adjusted Revenue 2014		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$41,231,507.57	\$31,710,276.19	\$23,106,523.77
February	\$47,575,032.11	\$37,245,026.02	\$25,788,555.32
March	\$50,756,665.25	\$42,961,184.96	\$31,218,833.96
Total	\$139,563,204.93	\$111,916,487.17	\$80,113,913.05

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 market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino for January 2014 were 41%, 34%, and 25%, respectively.

Month in 2014	Total Adjusted Revenue and Taxes 2014		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$96,048,307.53	\$7,779,912.91	\$10,469,265.52
February	\$110,608,613.45	\$8,959,297.69	\$12,056,338.87
March	\$124,936,684.17	\$10,119,871.42	\$13,618,098.57
Total	\$331,593,605.15	\$26,859,082.02	\$36,143,702.96

The figures released by the Board are the gross receipts less winnings paid to wagerers. The figures do not include: 1) any fees or other relevant city, state or federal taxes; 2) wages and benefits paid to casino employees; 3) payments to suppliers, services providers or vendors; and 4) other normal business expenses.

CASINO WINDSOR REACHES LABOR AGREEMENT

On Tuesday, April 8, 2014, workers at Casino Windsor voted to ratify a labor agreement with the casino after a brief closure occurred on April 3, 2014 due to ongoing negotiations. 73% of union workers approved the deal.

According to union summaries of the agreement, the contract provides several worker benefits over the course of the four-year term. Lump sum “signing bonuses” will be provided annually for the first three years of the agreement, with a \$0.25 (CAN) and \$0.35 (CAN) wage increase in the second and fourth years, respectively. The agreement also provides various health care benefits, life insurance policy increases, and worker safety provisions.

“I will tell you that we did not get everything we wanted, nor did we achieve every victory we set out to; however, we were able to bring back a deal that addresses many of the important gains identified by our membership,” stated Unifor Local 444 President Dino Chiodo in a statement to union workers.

On April 3, 2014, Caesars Windsor exercised a “planned shutdown” at 6:00pm according to a press release issued by the casino. The shutdown came after negotiations between the casino and Unifor Local 444 did not produce a labor agreement under expected timeframes. A tentative agreement, however, was reached overnight on Thursday allowing the casino to reopen at 9:00am on Friday, April 4, 2014.

Unifor Local 444 represents over 2,300 workers at Casino Windsor. Unifor is a Canadian-based labor organization representing approximately 300,000 private sector workers in various industries, including automotive, hospitality, fishing, energy, and other fields.

HAZEL PARK BEGINS LIVE RACING APRIL 12TH

On Saturday, April 12, 2014, Hazel Park Raceway will begin its live harness racing season. The meet will run through Saturday, May 3, 2014. Qualifying races are scheduled to be held through Tuesday, April 29 depending on the number of entrants.

On January 21, 2014, the Executive Director of the Michigan Gaming Control Board (“MGCB”) issued an executive order that granted Hazel Park Raceway live harness and thoroughbred racing dates divided into two “meets” during 2014. This Saturday’s event marks the beginning of the first meet, consisting of harness racing, while a thoroughbred meet will be held at the track from June 29, 2014 to October 11, 2014. The track has been awarded a total of 42 race dates for the year.

The Michigan Harness Horseman’s Association, representing the interests of standardbred racing, has filed a lawsuit against the Executive Director of the MGCB regarding the issuance of the January executive order, as well as a similar executive order issued regarding Northville Downs. For more information on the lawsuit, please refer to Issue 10, Volume 20 of *The Michigan Gaming Newsletter*, available here: <http://www.michigangaming.com/publications/newsletter-archive/2014?view=archive&month=3>

UPCOMING EVENTS

SOUTHERN GAMING SUMMIT SCHEDULED FOR MAY 6-8, 2014 IN BILOXI

The Southern Gaming Summit will be held in Biloxi, Mississippi on May 6-8, 2014. The event will be held jointly with BingoWorld, the world’s largest bingo conference and trade show, at the Mississippi Coast Coliseum and Convention Center.

The summit will consist of conferences, networking, and exhibit space featuring information and products related to all facets of the gaming industry. The event will begin with the

Southern Gaming Summit/BingoWorld Golf Tournament on May 6, 2014 for exhibitors. Conference events begin on Wednesday and include discussions, presentations, and workshops on current issues facing the gaming industry. Featured speakers include Tilman Fertitta, CEO and Owner of Landry’s, Inc. and Geoff Freeman, President and CEO of the American Gaming Association. Other events include the Global Gaming Women Luncheon, an Executive Roundtable, and numerous networking opportunities for attendees.

Gaming and hospitality industry executives, regulators, legislators, and consultants are likely to express interest in the event. For more information on the event, as well as registration information, please visit: <http://www.sgsummit.com/>.

SIGN UP FOR RMC’S DAILY GAMING NEWS FEED

Regulatory Management Counselors, P.C. (RMC Legal), authors of *The Michigan Gaming Newsletter*, would like to extend an invitation to sign up for the complimentary *RMC Daily Gaming News Feed*. The Daily News Feed delivers Michigan and gaming-industry specific news links directly to you each morning.

To sign up to receive the RMC Daily Gaming News Feed, simply visit: <http://rmclegal.com/media-publications> and complete the form.

Should you have any questions, feel free to contact Blaine DeGracia at 517-507-3857 or degracia@rmclegal.com.