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# The \_\_\_\_\_ MICHIGAN GAMING \_\_\_\_\_ Newsletter



## **FREE EXHIBIT HALL ACCESS GLOBAL GAMING EXPO 2017**



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## **MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR AUGUST 2017**

The Michigan Gaming Control Board ("MGCB" or "Board") released the August 2017 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 3.8% when compared to the same reporting period last year.

Month in 2017	Total Adjusted Revenue 2017		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$47,122,785.88	\$38,437,983.01	\$26,444,022.40
February	\$48,090,071.92	\$40,560,815.83	\$28,590,936.09
March	\$54,150,615.38	\$45,102,231.26	\$31,950,728.99
April	\$49,596,029.88	\$42,121,055.77	\$29,280,455.10
May	\$50,523,650.08	\$40,664,492.10	\$28,757,824.72
June	\$48,614,446.33	\$37,943,849.44	\$26,515,591.39
July	\$51,207,554.53	\$40,495,541.62	\$27,322,068.37
August	\$47,879,610.43	\$38,397,113.58	\$25,198,417.31
<b>Total</b>	<b>\$397,184,764.43</b>	<b>\$323,723,082.61</b>	<b>\$224,060,044.37</b>

Month in 2017	Total Adjusted Revenue and Taxes 2017		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax*
January	\$112,004,791.29	\$9,072,388.09	\$13,328,570.16
February	\$117,241,823.84	\$9,496,587.73	\$13,951,777.04
March	\$131,203,575.63	\$10,627,489.63	\$15,613,225.50
April	\$120,997,540.75	\$9,800,800.80	\$14,398,707.35
May	\$119,945,966.90	\$9,715,623.32	\$14,273,570.06
June	\$113,073,887.16	\$9,158,984.86	\$13,455,792.57
July	\$119,025,164.52	\$9,641,038.33	\$14,163,994.58
August	\$111,475,141.32	\$9,029,486.45	\$13,265,541.82
<b>Total</b>	<b>\$714,467,585.57</b>	<b>\$57,871,874.43</b>	<b>\$85,021,642.68</b>

\*Total includes wagering tax and development agreement payments to the city of Detroit as reported by the casinos

Revenue increased at MotorCity while revenue was down at MGM Grand Detroit and Greektown casinos, compared with August 2016. Specifically, MotorCity revenue increased 1.5 percent to \$38.4 million while MGM Grand Detroit revenue decreased 6.7 percent to \$47.9 million and Greektown was down 5.7 percent to \$25.2 million.

All three casinos are subject to a wagering tax of 19%, with 10.9% of this levy payable to the City of Detroit and 8.1% payable to the State of Michigan.

The August 2017 market shares for MGM Grand Detroit, MotorCity Casino, and Greektown Casino were 43%, 34%, and 23%, respectively.

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; nor 4) other normal business expenses.

## **HOUSE REGULATORY REFORM COMMITTEE DISCUSSES ONLINE GAMBLING BILLS**

On Wednesday, September 13, 2017, the Michigan House Regulatory Reform Committee discussed a package of bills seeking to authorize and regulate internet gambling in the state of Michigan.

The package of bills [House Bill 4926](#) ("HB 4926"), [House Bill 4927](#) ("HB 4927") and [House Bill 4928](#) ("HB 4928") were introduced last week, on September 12, 2017. Notably, in March of this year a package of internet gaming bills was introduced in the Michigan Senate and were recommended favorably out of the Senate Committee on Regulatory Reform. Senate Bills [0203](#), [0204](#), and [0205](#) have not yet been brought for a vote in the Michigan Senate. A legislative analysis issue related to the Senate Bills pointed out that the legislation would potentially increase

revenue to the state and would provide protection to Michigan residents who currently were gambling online without adequate regulatory protection. The legislative analysis at the time also raised concerns about the ability of technology to enforce age limits and identification of problem gamblers in an online setting. The analysis also raised concerns that the proposed legislation might implicate the 2004 constitutional amendment limiting expansion of gambling without a statewide and local vote.

Chairman Rep. Iden (R- Oshtemo Township), primary sponsor of HB 4926 and HB 4927, stated that he believes online gaming will become law due to changing market forces and economy changes and that gaming will change too. He noted that 3 states have passed online gaming legislation and 6 more have pending legislation. He cautioned that the process will be slow, that there won't be any votes next week and he will work with people to get the legislation "correct."

Several witnesses testified before the committee, including former attorney general Mike Cox (a lobbyist working in support of the bills), Dave Murley from the Michigan Gaming Control Board, David Cookson from the Coalition to Stop Internet Gaming, John Pappas from the Poker Player's Alliance, and Jeanne David and Martin Stewart from the Stars Group. Mr. Cox, Mr. Pappas, Ms. David and Mr. Stewart all testified in support of the bill, Mr. Murley was neutral on the bill and Mr. Cookson was against the bill. No vote was taken on the bills and no amendments were considered.

## **MICHIGAN LOTTERY ANNOUNCES NEW REWARDS PROGRAM FOR PLAYERS**

On September 11, 2017, the Michigan Lottery announced that it is developing a new player rewards program to begin sometime in early 2018. The Lottery reports that the new program will make it easier for players to participate and

earn free play.

According to the announcement, the new program is based on feedback from Lottery players and found players wanted more chances to earn free play, but without entering non-winning ticket codes online.

The Lottery noted that additional details about the Lottery's new rewards program will be announced later. The Lottery states that players will have increased opportunities to use the points they have accumulated in their Players Club accounts before the program ends in early 2018. Players may continue to earn Players Club points by entering codes from non-winning tickets. Players will be notified at a later date about when ticket codes no longer will be accepted.

Notably, the Cashword, Bingo, and Wild Time second-chance games have been updated, and no longer award reward points. Instead, they award players free play coupons, and entries into weekly drawings for free instant tickets. According to the Lottery, these games will remain the same after the new loyalty program begins.

## **EMERGING LEADERS OF GAMING NETWORKING RECEPTION DURING G2E 2017**

This year, the annual Emerging Leaders of Gaming Networking Reception will be held on Wednesday, October 4, from 5:30 – 6:30 pm.

The reception will take place at the Opium Room at Tao inside The Venetian Resort, Las Vegas.

The Emerging Leaders of Gaming was established to celebrate the next generation of young professionals leading the industry in gaming, entertainment, food, hospitality and beverage, tourism and leisure. This networking group supports the growth and future success of the young people in these industries.

This event will be Co-chaired by AGS Chief

Marketing Officer Julia Boguslawski, FireKeepers Casino Hotel CEO Kathy George, and Fifth Street Gaming CEO Seth Schorr.

This year's program will recognize the Emerging Leaders Class of 2017. The following honorees will also be congratulated for their achievements:

**Amy Lawrence, Senior Director of Regulatory Affairs and Associate General Counsel, AGS**

**Mattias Stetz, Chief Operating Officer, Rush Street Interactive**

**Murali Ganesan, Vice President, Sales - Gaming, Scientific Games**

**Seth Young, Director of Online Gaming, Foxwoods Resort Casino**

**Shannon Keel, General Manager, Akwesasne Mohawk Casino**

**Tyler Bain, Executive Director Relationship Marketing, Las Vegas Sands Corp**

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