

MGHA Monthly Report



JUNE 2016



Message from Executive Director

Here we are, already halfway through 2016. Much has happened, starting with the roll out of the MGHA annual report, hosting the 2016 MTA-MGHA Legislative Reception, and kicking off the 2016 legislative session. This year, we saw the passage of DFS (SB2541) and the creation of the EDI Fund (HB1074/SB2924) both of which we expect to help our industry. Just after the legislative session ended, we headed into final preparations for the 2016 Southern Gaming Summit. Along the way, we have grown our associate membership, adding eight new members this year. We also have forged relationships with the MGC, the MCPCG, and AGA working to promote responsible gaming. There is more to do and tell as we move ahead. Stay tuned...

June Brings Strong Numbers

June numbers were up across the state closing out the second quarter of 2016 in a positive direction. Once again, GGR (gross gaming revenue) increased along the Gulf Coast compared to the same month last year. Overall, for 2016, GGR along the Gulf Coast is up almost 5%. The River Counties (both the lower and upper regions) are down about 3% on a year over year basis; but, halfway through the calendar year, statewide revenues are 1% ahead of where they were at this point last year. With there being five full weekends in July, we are optimistic the positive trend will continue as we move into the third quarter of 2016.

Table 1: Mississippi Gaming Revenues

	Gulf Coast	River Counties	Overall
June 2016	96,127,837	79,369,409	175,497,246
June 2015	95,512,378	77,295,068	172,807,446
June 2014	98,544,819	78,726,712	177,271,532
June 2013	84,676,084	89,054,463	173,730,547
June 2012	89,922,598	96,968,253	186,890,851
2016 vs. 2015	0.6%	2.7%	1.6%

	Gulf Coast	River Counties	Overall
YTD 2016	606,698,191	483,391,870	1,090,090,061
YTD 2015	579,641,580	499,421,902	1,079,063,481
YTD 2014	542,999,111	520,439,496	1,063,438,608
YTD 2013	538,643,906	565,778,659	1,104,422,565
YTD 2012	562,078,857	610,499,310	1,172,578,167
2016 vs. 2015	4.7%	-3.2%	1.0%

SGS 2016 Survey (Exhibitors/Sponsors)

We thought it important for you to see the feedback received from our exhibitor/sponsors at the Southern Gaming Summit 2016. [A fully copy of the survey is on our website \(click About Us\).](#)

Satisfaction - Exhibitors / Sponsors 2016 v. 2015

Time of Year	8.92 v. 8.76
Ease of Exhibit Set Up	8.76 v. 8.76
Venue: MGC Coliseum	8.51 v. 8.95
Geographic Location: Biloxi	8.33 v. 8.95
Organization of Event	8.21 v. 8.89
Networking Opportunities	7.27 v. 7.89
Quality of Leads	6.94 v. 7.04
Quantity of Leads	6.14 v. 6.38

Drivers - Exhibitors / Sponsors:

- 74% - generate leads / new business
- 62% - increase brand awareness
- 51% - network with current clients
- 33% - new product introduction
- 10% - see new products / equipment



Exhibitors / Sponsors Likelihood of Future Presence: Definitely will (26%) or Probably will (28%) with many reporting Might or Might Not (41%) = 95%.

Responsible Gaming—A Year Round Commitment

An important part of MGHA’s mission is to support the ongoing initiatives to combat problem gambling. The [Mississippi Council on Problem & Compulsive Gambling \(MCPCG\)](#) provides operators in our state with the opportunity to receive training in this area and other resources. Larry recently accepted a nomination to join the MCPCG board.

As former Executive Director of the [Mississippi Gaming Commission \(MGC\)](#), Larry has continued working closely with the MGC to develop a Responsible Gaming training program for MGHA to give its members a template to develop a property specific Responsible Gaming training program. MGC recently approved this program, and MGHA has shared it with all operator members.

Also, Larry recently accepted an invitation to join the board of the [American Gaming Association \(AGA\)](#). In the arena of Responsible Gaming, the AGA offers a comprehensive program it has tagged “Responsible Gaming—A Year Round Commitment.” The AGA puts out many tools designed to use throughout the year, which MGHA recently shared with its members. The AGA’s Code of Conduct for Responsible Gaming is a comprehensive pledge operators can make to employees, patrons and to the community. The Code of Conduct can be found on our website under the Responsible Gaming tab. We encourage all of our members to adopt this pledge.

MGHA supports Responsible Gaming in all forms. Please contact us if we can be of assistance to you in this effort.

MS Sixth Most Tax Friendly State; MS Tax Reform Study

As reported on June 30, 2016, Mississippi received a ranking by Kiplinger Personal Finance as the sixth most tax-friendly state for doing business. Just two weeks later, on July 15, 2016, GOP Leaders, including Governor Bryant, announced that “Reform is on the way.” House Speaker Philip Gunn expects the ‘working groups’ appointed to study spending to make recommendations to the full Legislature in the 2017 session. Lt. Gov. Reeves said he envisions ‘growing the size of our economy and not on growing the size of our government.’ Gunn and Reeves will co-chair the new tax study panel, whose 18 members have been announced, including five Democrats. Other committees will focus on spending by the state’s largest agencies, the departments of: Transportation, Health, Mental Health, Human Services, Corrections, Public Safety, Education, the Division of Medicaid, Institutions for Higher Learning and more. Reeves said these new panels will be able to take a ‘deeper dive’ into agency spending—on things such as travel—than lawmakers can do during regular annual budget sessions. House Democrat Leader David Baria said, “I think this is an effort for (GOP Leaders) to provide cover for the budget mess they have created” referring to the \$110 million draw on MS’s rainy-day fund to balance the budget. The full stories are posted on our website (look under the Press Room or News tabs).

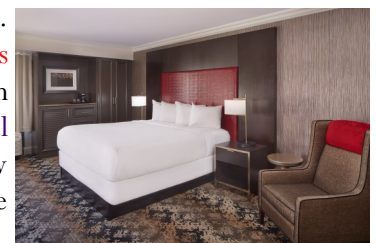
Renovations Come to Life in Tunica

In March, Caesars Entertainment announced it was adding 5,000 rooms to its renovation program, including room renovations at its Mississippi properties. With its room and other renovations complete, guests will find a fresh new



look and high quality assets to enjoy. [Horseshoe Tunica](#) offers more than 500 hotel rooms with 311 suites (192 newly renovated) along with more than 100 table games, including 24 poker tables, and more than 1,100 slots, several restaurants, including Jack Binion’s Steak, 8 oz. Burger Bar, Starbucks, and **opening August 4 is Asian Bistro (Lucky 8)**. Guests can enjoy a high

quality gaming, food, entertainment and hotel experience. Also, with [Total Rewards®](#), guests can earn and redeem points whether playing in Tunica, Biloxi, New Orleans, Las Vegas, or at any of the 40 resorts and casinos Caesars operates around the world. Go to www.caesars.com or www.totalrewards.com to learn more.



MGHA News Updates

- Margaritaville Resort Biloxi Debuts 6/23/2016
- MS Ranked as 6th Friendliest State to do business
- Poarch Creek land-into-trust bill could aid FL effort
- Harrah's Gulf Coast plans for Blind Tiger Seafood
- Craig Ray to Lead MS's MDA-Tourism Office
- Moody Warns, MS's raids on rainy-day fund red flag
- Mississippi: Uber has arrived
- Casino Revenues Rise Across all Regions in MS
- Fantasy Sports Task Force meets to regulate industry
- Gulfport gaming developers ask to delay site approval

More facts and news on   
www.msgaming.org/pressroom/

Important Dates

AGA—Get to Know Gaming
IP Casino Resort Spa
August 3, 2016
9:30 a.m to 11:30 a.m.

MGHA August Call
MGHA Conference Line
August 12, 2016
2:00 p.m.

MGC August Meeting
MGC Office—Jackson
August 18, 2016
9:00 a.m.

Associate Member Focus



Mississippi-Louisiana Gaming News is a media sponsor of G2E. They will be sending several hundred copies of the September issue to Las Vegas. These copies are kept in racks in the front of the convention area, and will be read by a wide audience. **Mississippi-Louisiana Gaming News** has offered MGHA an advertisement, at no charge, in this publication. MGHA has decided that this ad will focus on its associate members to thank them all for their support of MGHA. We wish to extend a special "Thank You" to Michael Sunderman and Lori Beth Susman for this generous offer and the work related to this opportunity. Also, please keep in mind that on **September 14, 2016** we will host our quarterly MGHA board meeting in Tunica (Horseshoe) at 3:00 pm. Following this meeting, at **5:30 p.m.**, we will host an **Associate Member Meet & Greet**. We would ask all of our casino operators to make every effort to attend this gathering to give our Associate Members a chance to have facetime with each of you. Thank you all in advance for your participation and support! More details will be forthcoming.

Regional Statistics

Chart 1: June 2016 Gaming Revenue Data

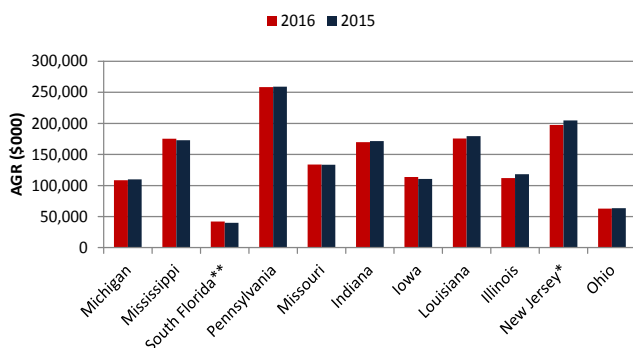


Table 2: AGR Summaries (\$000)

	June '16	June '15	Change	Trailing 3 Mos. Current	Trailing 3 Mos. Prior Yr.	Change
South Florida**	41,994	40,001	5.0%	137,716	132,584	3.9%
Iowa	113,721	110,618	2.8%	364,340	359,272	1.4%
Mississippi	175,497	172,807	1.6%	533,896	534,831	-0.2%
Missouri	133,870	133,589	0.2%	426,825	428,011	-0.3%
Pennsylvania	258,423	259,068	-0.2%	819,825	807,615	1.5%
Indiana	169,921	171,404	-0.9%	549,427	550,968	-0.3%
Ohio	62,918	63,494	-0.9%	202,957	204,058	-0.5%
Michigan	108,612	109,930	-1.2%	349,504	350,294	-0.2%
Louisiana	175,840	179,597	-2.1%	541,692	572,929	-5.5%
New Jersey*	197,494	204,866	-3.6%	598,836	599,739	-0.2%
Illinois	112,110	118,117	-5.1%	360,214	375,008	-3.9%

* Excludes \$16.4 million in online gaming revenue
**South Florida only includes slots at racetracks

Mississippi Gaming Statistics

June 2016 Table Game Analysis

Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	North River Summary	
North River	Win	3,101,464	1,963,933	564,381	476,438	1,134,920	Win	7,241,136
	WPUD	\$766	\$2,257	\$1,045	\$882	\$860	WPUD	\$989
	Units	135	29	18	18	44	Units	244
	Unit Mix	55.3%	11.9%	7.4%	7.4%	18.0%	Drop	43,257,875
	Drop	22,306,451	12,666,779	2,156,402	1,422,756	4,705,487	As % Prior year	94.1%
	% of Drop	51.6%	29.3%	5.0%	3.3%	10.9%		
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	South River Summary	
South River	Win	1,291,080	578,873	167,115	154,455	227,131	Win	2,418,654
	WPUD	\$624	\$1,484	\$796	\$736	\$1,262	WPUD	\$790
	Units	69	13	7	7	6	Units	102
	Unit Mix	67.6%	12.7%	6.9%	6.9%	5.9%	Drop	10,571,430
	Drop	6,672,840	2,160,826	661,228	396,604	679,932	As % Prior year	84.7%
	% of Drop	63.1%	20.4%	6.3%	3.8%	6.4%		
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	Gulf Coast Summary	
Gulf Coast	Win	6,337,701	2,944,592	1,054,553	1,206,759	4,126,929	Win	15,670,534
	WPUD	\$813	\$2,653	\$1,134	\$1,387	\$1,251	WPUD	\$1,119
	Units	260	37	31	29	110	Units	467
	Unit Mix	55.7%	7.9%	6.6%	6.2%	23.6%	Drop	88,215,114
	Drop	40,631,404	15,741,683	5,016,394	3,867,843	22,957,790	As % Prior year	102.3%
	% of Drop	46.1%	17.8%	5.7%	4.4%	26.0%		

June 2016 Slot Analysis

Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	North River Summary	
North River	Win	29,284,350	900,958	3,716,303	7,965,786	4,731,233	Win	46,598,630
	WPUD	\$173	\$125	\$142	\$237	\$231	WPUD	\$181
	Units	5,645	240	873	1,121	684	Units	8,563
	Unit Mix	65.9%	2.8%	10.2%	13.1%	8.0%	Coin In	444,181,362
	Coin In	237,608,032	12,069,413	41,588,555	87,369,103	65,546,259	As % Prior year	81.8%
	% of Coin in	53.5%	2.7%	9.4%	19.7%	14.8%		
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	South River Summary	
South River	Win	16,474,078	375,120	914,005	2,368,490	842,100	Win	20,973,793
	WPUD	\$150	\$86	\$78	\$120	\$201	WPUD	\$140
	Units	3,673	145	392	656	140	Units	5,006
	Unit Mix	73.4%	2.9%	7.8%	13.1%	2.8%	Coin In	264,703,693
	Coin In	187,551,272	7,008,434	14,772,811	40,651,650	14,719,526	As % Prior year	99.1%
	% of Coin in	70.9%	2.6%	5.6%	15.4%	5.6%		
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	Gulf Coast Summary	
Gulf Coast	Win	54,532,548	2,656,490	7,757,373	9,151,746	5,649,473	Win	79,747,630
	WPUD	\$180	\$140	\$151	\$199	\$309	WPUD	\$182
	Units	10,087	633	1,716	1,532	610	Units	14,578
	Unit Mix	69.2%	4.3%	11.8%	10.5%	4.2%	Coin In	1,046,026,189
	Coin In	624,461,619	52,303,323	135,014,215	145,734,682	88,512,350	As % Prior year	101.1%
	% of Coin in	59.7%	5.0%	12.9%	13.9%	8.5%		

Member Directory

- Ameristar Casino Hotel, Vicksburg
- Bally's Casino, Tunica
- Beau Rivage Resort Casino, Biloxi
- Boomtown Casino, Biloxi
- Fitz Casino & Hotel, Tunica
- Golden Nugget Biloxi
- Gold Strike Casino Resort, Tunica
- Hard Rock Casino, Biloxi
- Harlow's Casino Resort, Greenville
- Harrah's Gulf Coast, Biloxi
- Hollywood Casino Gulf Coast
- Hollywood Casino, Tunica
- Horseshoe Casino, Tunica
- IP Casino Resort Spa, Biloxi
- Island View Casino Resort, Gulfport
- Isle of Capri, Lula
- Lady Luck Casino, Vicksburg
- Magnolia Bluffs Casino, Natchez
- Palace Casino Resort, Biloxi
- Resorts Tunica Hotel & Casino
- Riverwalk Casino Hotel, Vicksburg
- Roadhouse Casino, Tunica
- Sam'sTown Hotel & Gambling Hall, Tunica
- Scarlet Pearl Casino & Hotel, D'iberville
- Silver Slipper Casino, Bay St Louis
- Treasure Bay Resort, Biloxi
- Trop Casino, Greenville
- Waterview Casino & Hotel-Vicksburg

Associate Member Corner



As featured inside, Mississippi-Louisiana Gaming News has joined MGHA as an Associate Member. At

G2E, as a media sponsor, they will be featuring not just MGHA in their publication, but all MGHA Associate Members. This publication will be disbursed and read by a large audience across the country.

Thank you for being part of MGHA and for this wonderful opportunity.

The Mississippi Gaming & Hospitality Association (MGHA)* is a non-profit organization made up of casino operators and vendors whose mission it is to protect and enhance the reputation and success of the gaming industry within the State of Mississippi. We seek to accomplish our mission by:

- ◆ Cooperating with government officials in advancing the gaming industry's common goals and objectives;
- ◆ Promoting comprehensive and fair regulation of the gaming industry to insure integrity at all levels of operation;
- ◆ Advocating fair and reasonable taxation of the industry, which will permit operators to maximize employment opportunities and re-invest, expand and improve existing facilities;
- ◆ Promoting and participating in public education throughout Mississippi regarding the benefits of casino gaming, including job creation, economic development and how the industry can help the State in maximizing its tax revenues; and
- ◆ Supporting and enhancing responsible gaming programs and offering education and assistance to individuals with gambling problems.

For questions about membership contact Executive Director Larry Gregory or Deputy Director Mike Bruffey via email (lgregory@msgaming.org or mikebruffey@msgaming.org) or by phone 601-965-6992.

**The MGHA was originally chartered in 1993 as the Mississippi Casino Operators Association (MCOA). In March 2013, the Board of Directors voted to change the name of the association to better reflect its mission.*



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Let's Talk Politics



As the presidential election heats up, now is as good a time as any to discuss whether and how politics should be handled in the workplace. Let's get one thing out of the way. Some employees may think political speech in the workplace is protected under the First Amendment's freedom of speech provision. Not so, the Constitution only restricts the government from infringing on free speech, not businesses.

The practical reality is that political discussions and displays in the workplace can be demoralizing and lead to heated arguments among employees. These concerns are only magnified in the gaming and hospitality industries, where guests could not only witness such hostilities, they could also become

a part of them. Aside from all of that, politics can be a major distraction from the main purpose of being in the workplace—working. With that in mind, what can be done to address political speech in the workplace? Consider adopting a policy that addresses political speech, or including it as part of an existing non-solicitation policy. Whether it's a complete prohibition or a set of restrictions, it's important that such a policy be written fairly and enforced consistently. If there is a social media policy already in place, it may be a good time to also update it to address politics. As always, it's best to consult with legal counsel to see that whatever action you take complies with state and federal laws.

Patrick Zimmerman is an MGHA Associate Member and attorney-at-law. He welcomes your comments or suggestions at 601-376-9741 or pat@zimmermanlawfirm.ms