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Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (\$ In Thousands, Casino Industry)	August 2018	Change from Prior Year	August 2017
Total Gaming Win (includes Internet & Sports Wagering)	299,968	22.5%	244,837
Sports Wagering Revenue	5,225	-	-
Internet Gaming Win	24,805	16.6%	21,279
Casino Gaming Win	269,939	20.7%	223,558

Year to Date August (\$ In Thousands, Casino Industry)	2018	Change from Prior Year	2017
Total Gaming Win	1,858,164	3.0%	1,803,396

Industry Income Statistics* (\$ In Thousands)	Quarter Ended June 30, 2018	Change from Prior Year	Year to Date June 30, 2018	Change from Prior Year
Industry Total Net Revenue	\$ 694,410	2.4%	\$ 1,302,343	-0.3%
Gross Operating Profit	\$ 171,438	1.6%	\$ 294,489	-4.6%

*The DGE has revised the format of their quarterly reports in response to recent changes in financial reporting methodology

Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

Casino Hotel Lodging Statistics For the Period Ended June 30, 2018	Q2 2018	Q2 2017*	YTD 2018	YTD 2017*
Occupancy percentage	84.8%	90.3%	81.4%	85.8%
Average Daily Room Rate (ADR)	\$136.01	\$107.43	\$129.23	\$105.56
Revenue Per Available Room (RevPAR)**	\$115.34	\$97.01	\$105.19	\$90.57

*Data from DGE Q2 2017 report. The DGE has since revised their quarterly reports to reflect recent changes in financial reporting methodology.

** RevPAR= ADR X Occupancy Percentage

Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	August 2018	Change from Prior Year	August 2017
AC Expressway			
Total Toll-Paying Traffic Pleasantville Toll Plaza	2,029,434	6.5%	1,905,607
AC Airport			
Scheduled Service Passengers	90,798	-5.2%	95,769
Charter Passengers	12,633	17.2%	10,782
Total Air Passengers	103,431	-2.9%	106,551

Note: NJ Transit Rail Service to A.C. suspended to install federally mandated Positive Train Control (PTC) equipment. Service expected to resume early 2019

Atlantic City Information

Atlantic City hosts Miss America 2019 Competition- As reported by [NJ.com](#), Atlantic City hosted the 2019 Miss America competition on September 9. The revised event, branded as Miss America 2.0, received 4.3 million viewers down 19 percent from last year (5.4 million). Viewership among those in the 18-49 age demographic was also down, 36 percent compared to last year (rating 1.1 in 2017 and 0.7 in 2018). The Miss America Organization's three-year, \$12.5 million contract with the Casino Reinvestment Development Authority (CRDA) expired after this year's event. According to [The Press of Atlantic City](#), officials with the CRDA have stated that they are not willing to continue subsidizing the event at \$4 million per year.

CRDA and Local 54 announce job-training partnership- As reported by The Press of Atlantic City, The Casino Reinvestment Development Authority and Unite Here Local 54 announced a new job training joint initiative on September 20. The program, housed at the Atlantic City Convention Center, is supported by a \$200,000 grant from the state Department of Labor and Workforce Development. The express goal of the project is to train local residents who are underemployed or living in poverty to fill 5,000 open entry-level positions in the casino industry.

State releases report on future role in Atlantic City- As reported by [The Press of Atlantic City](#), the governor's specially appointed counsel released a report on the state's future involvement in the city on September 20. As per the report, Atlantic City will remain under state oversight until either the Municipal Stabilization and Recovery Act expires, municipal capacity achieves a strong footing, or state aid to the city has been substantially reduced or eliminated. The report also included several recommendations, among them the need to focus on the fundamentals of local government, diversify the local economy, and improve amenities that affect resident's quality of life.

Stockton University celebrates opening of Atlantic City campus with ribbon cutting- According to a [Press Release](#) from Stockton University, University President Harvey Kesselman welcomed a crowd of some 1,000 people as the university and AC Gateway project partners celebrated the opening of the new campus with a ribbon-cutting ceremony on September 20. Other guest speakers, in order of appearance, were: N.J. Senate President Stephen Sweeney, Chairman of the Atlantic City Development Corporation (AC Devco) Jon Hanson, Assembly Majority Speaker Lou Greenwald, AC Devco President Christopher Paladino, Stockton Faculty Senate President Donnetrice Allison, State Senator Chris Brown, Atlantic County Executive Dennis Levinson, Atlantic City Mayor Frank Gilliam, Deputy Secretary of Higher Education Diana Gonzalez, South Jersey Industries President and CEO Michael Renna, and Stockton Board of Trustees chair and vice chair Madeleine Deininger and Leo Schoffer. The \$178.2 million campus was funded through sources including the New Jersey Economic Development Authority; Atlantic County Improvement Authority; State of New Jersey's Higher Education Capital Improvement Fund Act; Stockton University; and South Jersey Industries. Other partners included the Atlantic County Board of Chosen Freeholders, City of Atlantic City, Elkus Manfredi Architects, Joseph Jingoli and Son, New Jersey Educational Facilities Authority, and SOSH Architects. Representatives of many of these and other community organizations were present to offer their thoughts and hopes for the project.

New Jersey Gaming News

Division of Gaming Enforcement (DGE) Director, David Rebeck testifies before the Assembly Tourism, Gaming and the Arts Committee- According to [LegalSportsReport.com](#), DGE Director, David Rebeck provided testimony to the State Assembly Tourism, Gaming and the Arts Committee at a **hearing held on September 13**. Included in his testimony was an overview of the state's current gaming market and insight into illegal gaming operations.

New Jersey could surpass Nevada for sports betting by 2020- According to [Bloomberg](#), regulators predict New Jersey's sports wagering market could pass Nevada's in less than three years. As reported by [iGamingBusiness](#), analysts Eilers & Krejcik Gaming predict that the New Jersey sports betting market will grow from \$35 million this year to \$442 million by the end of 2021. Nevada's sports betting revenue is expected to rise from a current \$279 million to \$410 million in the same period.

New Jersey welcomes eighth online sportsbook- As reported by [LegalSportsReport.com](#), as of September 17, operators had launched eight online sportsbooks in the state. Beginning with DraftKings on August 1, seven other operators have entered the online/mobile sports wagering market. PlayMGM (August 22), SugarHouse (August 23), FanDuel (August 29), William Hill (August 29), Caesars (September 6), 888 (September 13) and BetStars (September 13) have all launched online sportsbooks.

National Gaming News

American Gaming Association (AGA) releases Economic Impact Report- Oxford Economics, on behalf of the AGA, prepared a **report** on the economic impact of the U.S. gaming industry. According to the report, which includes data from commercial and tribal casinos, card rooms and gaming manufacturers, the US gaming industry supported a total economic impact of \$261.4 billion of output, with 1.8 million jobs and \$40.8 billion in tax revenue in 2017.

MGM Springfield (Massachusetts) generates nearly \$9.5 million in first week of operations- As reported by [CalvinAyre.com](#), figures released by the Massachusetts Gaming Commission (MGC) on September 17 show that MGM Springfield generated gross gaming revenue of \$9.45 million from August 24-31. For comparison, Plainridge Park Casino, which opened in June 2015, generated nearly \$15.4 million in the whole month of August.

MGM to acquire Hard Rock Rocksino Northfield Park casino (Ohio) - According to [CalvinAyre.com](#), MGM Resorts announced plans to purchase the Ohio Rocksino from MGM's real estate investment trust (REIT) MGM Growth Properties (MGP) on September 19. The slots-only venue with 2,300 video lottery terminals has been the state's top-earning gaming revenue for 35 of the past 39 months. MGP will retain ownership of the 110-acre plot while MGM has agreed to pay \$275 million for the casino's operating assets and \$60 million annually for use of the site.

New Hampshire becomes sixth state to offer online lottery- As reported by [OnlinePokerReport.com](#), New Hampshire launched its first iLottery offerings the week of September 17. In addition to being able to purchase traditional lottery tickets online, customers can also participate in a selection of instant win games. Other states with iLottery offerings include Illinois (March 2012), Georgia (November 2012), Michigan (August 2014), Kentucky (April 2016), and Pennsylvania (June 2018).

Pennsylvania Gaming Control Board (PGCB) awards online gaming permits to Hollywood and SugarHouse Casinos- As reported by [OnlinePokerReport.com](#), The PGCB awarded the Hollywood and SugarHouse casinos permits to operate online gambling on September 12. The two join three other Pennsylvania casinos (Harrah's, Mount Airy and Parx) as approved applicants. Of the 39 available Pennsylvania interactive gaming permits (three for each of the state's 13 casinos), 32 have been reserved for casino applicants. All but two casinos, Meadows and Lady Luck, have applied. The remaining seven permits will be awarded to qualified gaming entities, selected randomly via public drawing.

PokerStars unveils virtual reality poker- As reported by [OnlinePokerReport.com](#), online poker operator, PokerStars, announced a new virtual reality poker platform expected to bring together elements of live and online poker. The platform, currently in beta testing, will receive a full commercial release in the future as a free-to-play social game.

National Sports Betting News

Arkansas could be among the next states to legalize sports betting – As reported by [LegalSportsReport.com](#), an advocacy group, Driving Arkansas Forward, has created an **Arkansas Casino Gaming Amendment**. The amendment has, according to [GamingToday](#), received enough signatures from supporters to earn a place on the November 6 election ballot. The proposed amendment would define casino gaming in a manner that includes wagering on sports, and tax all casino gaming at a rate of 13 percent for the first \$150 million and 20 percent thereafter. There would be no additional licensing fees and the revenue raised from the gaming tax would be used to fund road repairs and re-examine other tax burdens. If the proposal passes regulators would begin accepting sports betting applications before June 1, 2019.

FanDuel Sportbook makes good on \$82,610 payout- According to [LegalSportsReport.com](#), a computer glitch during an 18-second in-play wagering window resulted in a ticket showing 750-to-1 odds on a \$110 bet resulting in a payout of \$82,610. After first refusing to pay the owner of the ticket, Anthony Prince, the face value of the ticket due to the clear pricing mistake, FanDuel later decided to pay the ticket in full. The error, the third major hiccup at The Meadowlands since the sportsbook opened, received nationwide attention and scrutiny. Following the incident, FanDuel pledged to work with the Division of Gaming Enforcement to improve their processes and better educate bettors on how sports betting works. FanDuel's payouts due to the error, and additional "*mea culpa*" payments, are estimated to be worth in excess of \$210,000.

Parx becomes second Pennsylvania casino to apply for sports betting license- As reported by [LegalSportReport.com](#), the parent company of Philadelphia-area, Parx Casino petitioned the Pennsylvania Gaming Control Board for a sports betting license on August 24. Penn National the parent company of Hollywood Casino, has also petitioned for sports betting.

U.S. House of Representatives Subcommittee on Crime, Terrorism, Homeland Security, and Investigation meets to discuss legal sports betting- As reported by [LegalSportsReport.com](#), the house subcommittee met on September 27 to discuss legal sports betting. Federal oversight of sports betting was a central topic with representatives of the National Football League (NFL), American Gaming Association (AGA) and Nevada Gaming Control Board (NGCB) among others offering testimony.

Vegas Golden Knights sign multi-year partnership agreement with William Hill US- As reported by [LegalSportsReport.com](#), on September 18, representatives of William Hill US and National Hockey League team, the Vegas Golden Knights, announced a multi-year agreement to collaborate on ‘fan engagement’ through media, advertising and promotions. The Knights are the first major U.S. team to sign such an agreement with a sportsbook operator.

Washington D.C. joins list of states seeking legalized sports betting- According to the [Washington Post](#), legislators in Washington D. C. introduced a sports betting bill on September 18. The bill, proposed by council member Jack Evans, would tax sports betting operators 10 percent of their gross revenue every month and charge a \$50,000.00 fee for a five-year license.

Hospitality & Tourism News

Airbnb expands offerings for corporate clients- As reported by [Travel Weekly](#), Airbnb is in the process of expanding its Airbnb for Work service. More than 700,000 companies have used Airbnb’s corporate travel platform with bookings tripling from 2016 to 2017. In an effort to grow beyond traditional business travel solutions, Airbnb is focusing on developing its ability to offer team building, offsite events and support for employee relocation. Representatives of Airbnb for Work indicate that these three strategic foci are a direct response to market activity that has already organically begun to take place on the platform.

Atlantic City businesses offer hospitality to Tropical Storm Florence evacuees- As reported by [The Press of Atlantic City](#), beginning with Ocean Resort, under the leadership of Bruce Deifik, Atlantic City businesses including Hayday Coffee, Little Water Distillery, Choice Bar and Grill, and Cardinal Bistro supported Tropical Storm Florence evacuees with food, shelter and hospitality.

Global hotel rates expected to rise one to three percent in 2019- As reported by [Lodging Magazine](#), business travel management company BCD Travel, predicts demand growth will slightly outpace supply in most hotel markets resulting in a global increase in hotel rates. This observation is part of BCD Travel’s 2019 Industry Forecast.

Tip-credit lawsuit reviewed by The United States Court of Appeals for the Ninth Circuit- As reported by [Nation’s Restaurant News](#), on September 18 the US Ninth Circuit Court of Appeals reviewed the case of Alec Marsh v. J. Alexander’s LLC. Alec Marsh and 13 other servers and bartenders at franchised units of Denny’s, IHOP, P.F. Chang’s China Bistro, Arriba Mexican Grill and an AMC Theatre, claim that their employers abused the 80/20 rule as applies to tip-credit wages. The 80/20 rule prohibits restaurant employers from paying their employees subminimum/tip-credit wages if the employee spends more than 20 percent of their time on non-tipped work. A similar lawsuit, heard by the fifth circuit court, challenges the Labor Department’s guidance on using a tip credit for side work and seeks clarity about how the 80/20 rule should be applied. The Labor Department’s response, expected November 12, could have significant consequences for the industry.

U.S. Department of Commerce International Trade Administration's National Travel and Tourism Office (NTTO) announces 2017 international tourism statistics- As reported by **Lodging Magazine**, NTTO announced that the U.S. greeted 77 million international visitors in 2017, a 0.7 percent increase over 2016. These visitors spent a record \$251.4 billion, a two percent increase over 2016. This spending in turn supported and estimated 1.2 million U.S. jobs. In a September 12 **Press Release** detailing the data reports, Secretary of Commerce Wilbur Ross said he expected to see the trend of year-over-year record spending by international travelers to continue into 2018, stimulating further job growth.