

September AC revenues down 11.6% - Philadelphia Inquirer

Written by Administrator

Tuesday, 12 October 2010 16:12 -

ATLANTIC CITY - With the summer crowds long gone, this town's 11 casinos are left with the reality of a long winter season ahead with Tuesday's sobering revenue figures.

The addition of SugarHouse Casino

on the Philadelphia waterfront last month, coupled with July's ramp-up to table games at the other nine Pennsylvania casinos, further eroded the resort's gambling revenues. Figures released Tuesday by the New Jersey Casino Control Commission showed an 11.6 percent decrease in revenues in September from a year ago, to \$296.4 million.

Most troubling was a 15.6 percent decrease in table games revenues, nearly 6 percentage points worse than the decline in slots revenue of 9.9 percent - an indication that table games in Pennsylvania had a clear impact.

"Obviously, September was a mixed bag of tricks," said Don Marrandino, Harrah's Entertainment Inc. Eastern Division president, in a conference call with reporters this afternoon. "It was the first off-season month with Pennsylvania table games opening.

"We all have to make adjustments to that, and in the summertime, we could feel it a little bit. Now in the off season, we really have to understand this new business model going forward," he said.

The new model, Marrandino said, was relying on cash-paying customers for hotel rooms, entertainments, spa treatments, and dining for Atlantic City to weather the storm.

"It will play out," he said.

As far as the addition of SugarHouse to the region's gaming mix is concerned, Marrandino said it had some effect, although it was still early to tell how much. The Philly casino grossed \$4.71 million in slots revenue in its opening week. September's table revenue numbers for Pennsylvania won't be out until after Oct. 20.

September AC revenues down 11.6% - Philadelphia Inquirer

Written by Administrator

Tuesday, 12 October 2010 16:12 -

"We felt it," he said. "It's still novel. It has a great location. It was what we expected."

However, gaming analysts remain bearish on the nation's second-largest gambling market.

"Longer term, we believe Atlantic City gaming revenues will likely continue to trend down as the competitive landscape is expected to intensify with the opening of Aqueduct (phase one) in April 2011 and the ramp-up of Sugar House casino (now open)," Andrew Zarnett of Deutsche Bank AG said in a note to investors Tuesday.

All 11 A.C. properties reported year-over-year revenue declines. The biggest decline was at Resorts, down 20.9 percent from September 2009; followed by the Borgata, which was down 16.1 percent, and Bally's by 16 percent.

Contact staff writer Suzette Parmley at 215-854-2594 or sparmley@phillynews.com.

[Powered by WizardRSS](#) | [aioWebmaster.com](#)

Source: http://news.google.com/news/url?sa=t&fd=R&usg=AFQjCNEmRJ7NNyfRm kUZtY0txv62UqXODw&url=http://www.philly.com/inquirer/breaking/business_breaking/20101012_ATLANTIC_CITY_-_With_the_summer_crowds_long_gone_this_NO_HEAD_SPECIFIED.html