

Cordish Indiana trouble has little bearing on Maryland - Baltimore Sun (blog)

Written by Administrator

Tuesday, 19 October 2010 07:34 -

As Hanah Cho [reports in today's paper](#) , a David Cordish project in Indiana -- managing the Indiana Live! casino for landlord Indianapolis Downs -- has hit a setback, as Indianapolis Downs tries to terminate or change the terms of Cordish's contract.

The racetrack is in miserable shape. Its debt is rated way into the junk category. Why it isn't already in bankruptcy proceedings is a bit of a mystery. But its casino seems to be running very well, spinning money for its owners at the high end of the industry scale, Cho reports. If there's any lesson for Maryland here, it's that casinos aren't a guaranteed savior for racetracks. (The Indianapolis Downs casino does, however, seem to have more competition than Cordish's casino planned for Arundel Mills would. And I assume the revenue-sharing terms are different than they are in Maryland.)

How Indianapolis Downs thinks it can terminate the Cordish deal without going into bankruptcy is unclear. As Jeffries analyst John Maxwell told Cho: "The question really becomes 'Are they legally allowed to terminate the management agreement?'"

Cordish's competence in running the Indiana casino doesn't seem to be in dispute. The company has a successful record running other facilities. There's no reason to believe Arundel Mills would be any different, whether you're for it or against it. The Indiana dispute seems to be a fight for the lawyers and a setback for Cordish, but not a reflection on Cordish's management.

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