

To: Lottery, Video Gaming & Racino Executives  
Interested in Growth, Expansion & Added Success



Your weekly supplement to  
*Public GAMING International Magazine*  
January 2, 2006

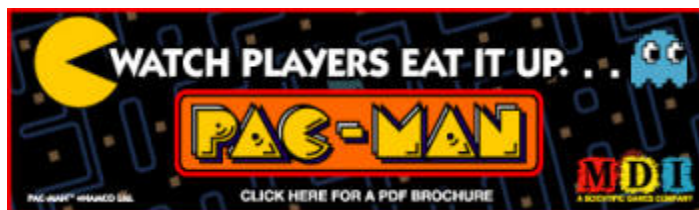


## PEOPLE

West Virginia Governor Joe Manchin appointed Morgantown businessman **David McCormick, Jr.**, to serve on the West Virginia Lottery Commission as a



representative of the 1st Congressional District. Once approved by the Senate, McCormick will take his place as the Lottery Commission's marketing expert and fill the vacancy created by former commissioner Jim Cookman. McCormick's appointment term extends to June 30, 2007 with eligibility of successive appointment.



## VLTRACINO

### PENNSYLVANIA ACCEPTS CASINO

**APPLICATIONS.** December 28 was the deadline for Pennsylvania casino applications. The Pennsylvania Gaming Control Board expects to start issuing licenses in August, but could take up to 12 months to decide who wins all the licenses. Six groups of investors filed applications for one license in Pittsburgh, while four filed for the two licenses in Philadelphia. Three of the Philadelphia sites are located on the Delaware River, while the fourth is in Nicetown. The four groups in Philadelphia are: 1) The SugarHouse Casino, a partnership of Midwest Gaming & Entertainment of Illinois and a group of local investors that are planning to spend \$450 million on a first phase of building a casino with 3,000 slot machines, a theater and 3,200 parking spaces. 2), Philadelphia Entertainment & Development Partners – includes New Jersey Nets owner Lewis Katz and developer Ron Rubin. They are looking to build a 30-acre site on Columbus Boulevard at Reed Street. 3) Planet Hollywood and the Pennsylvania Partnership Group control Riverwalk Casino LP, an 11.5 acre site located at Delaware Avenue and Spring Garden Street. 4) Donald Trump and Pat Croce are applying for a license on an 18-acre site in Nicetown, located at the former Budd Co. site.



**NEWPORT GRAND CONSIDERS SALE, AMONG OTHER OPTIONS.** After being granted approval for a \$20 million VLT parlor expansion, the owners of Newport Grand

are considering multiple options for raising the money – including selling the facility. Other options include investing the \$20 million, or a joint venture. The expansion approval includes authorization for an additional 800 VLTs (in addition to more than 200 machines that it has approval for but has yet to implement) and locks the facilities revenue share for up to ten years while promising that the owner of the facility will be compensated for any lost revenue from any new competitor located within the state.



**PENNSYLVANIA NATIONAL FILES FOR HARRISBURG LICENSE.** If granted a slot license by the Pennsylvania Gaming Control Board, Hollywood Casino at Penn National Race Course will open with at least 2,000 slots in 2007. The casino floor would be created with an expansion of up to 5,000 machines in mind. The \$212 million, five-story racino would cover 365,000 square feet and include a simulcast area for dog and horse races, a hotel and conference center, retail outlets, concert hall, and a buffet.



**NEW YORK RACING ASSOCIATION GIVEN FINANCING PROPOSALS.** The New York Racing Association is considering a proposal from Governor George Pataki that would give the organization a \$5 million loan from Empire State Development Corp. The loan would be conditional upon racing continuing at Aqueduct, Belmont and Saratoga. Another proposal would give the NYRA as much as \$30 million in installment loans which could be repaid via VLT revenue from Aqueduct. The offers were made in an attempt to keep the NYRA from declaring bankruptcy.



**SOUTH DAKOTA GAMBLING EXPANSION DRIVE.** Todd Erks of Tea, South Dakota has started a petition to expand gambling in South Dakota, or at least trim down the State's definition of gambling. Erks needs to collect 17,000 signatures by May to get a bill on the ballot that would exclude from the definition of gambling any contest in which a person's skill plays a significant role in the outcome of the game. Erks, who got in trouble for hosting Texas Hold

'em tournaments in his bar wants the games legalized, as well as other forms of contests such as fishing derbies, gold shootouts, billiards, darts and chess.



## LOTTERY NEWS

**BIDS ARE IN FOR NORTH CAROLINA VENDOR CONTRACTS.** Scientific Games has submitted a letter of intent to bid for both North Carolina's online and instant ticket contracts. GTECH plans to bid for the online contract and Oberthur Gaming Technologies is bidding for the instant ticket contract. NC Lottery Director Tom Shaheen has said he wants to choose the winners by February 3. Instant tickets are projected to begin in April.



**TEXAS LOTTERY COMMISSION APPROACHING DIRECTOR DEADLINE.** The Texas Lottery Commission is rapidly approaching its January 15 deadline to find a new executive director. Acting Director Gary Grief took over for Reagan Greer in July after Greer resigned. Texas law only allows Grief to be acting director for a six month term. He did not apply for the permanent position.



**NORTH CAROLINA APPROVES RETAILER CONTRACT.** (AP) The North Carolina Lottery Commission is closer to putting together a network of ticket retailers after approving a proposed contract with about 30 guidelines for stores. A statewide database already has provided a list of 10,000 potential retailers. State law does not cap the number of places that will qualify to sell lottery tickets. The contract requires retailers to "make every effort" to display outside signs, though local ordinances may block that from happening. Retailers also will be barred from living in the same household as lottery employees and giving lottery employees large gifts. They will have to undergo background checks, offer all available scratch tickets and pay a \$15 weekly fee for each location to help defray the costs of equipment. Retailers will keep 7 percent of their lottery sales and any bonuses that lottery official's award. The contract allows tickets to be bought with cash, checks, debit cards and gift cards, but not with credit cards. They

also cannot be bought with food stamps. Retailers will not be allowed to be "engaged exclusively" in lottery sales.

**ARIZONA LOTTERY SELLS OUT.** Congratulations to the Arizona Lottery on their successful holiday scratch-ticket campaign. It's been reported that their \$1 holiday tickets, which included a gift envelope, completely sold out



**HOOSIER MILLIONAIRE ENDS.** On October 13, 2005, the Hoosier Lottery announced the *Hoosier Millionaire* television show would end with a \$1,000,000 *Grand Finale* scheduled for late December. In addition to automatic seat winners, potential contestants had until December 21, 2005 to send their mail-in entries to the Hoosier Lottery for the *Grand Finale* drawing. On Thursday, December 22, 2005, 10 semi-finalists were drawn to join two automatic seat winners for Saturday's *Hoosier Millionaire Grand Finale*. And, finally, the show filmed its final episode on Saturday, December 31. The *Hoosier Millionaire* show debuted on October 28, 1989 and has created 190 millionaires throughout its 16-year history.

**ROMANIAN GOVERNMENT TO SELL INTEREST IN LOTTERY.** Under an emergency decree, the Romanian government will sell at least 5 percent of the shares in the National Lottery. An additional 27 percent may also be extended in additional offerings. The Government will preserve a 65% majority stake in each.



**PLEASE SEND ALL SUBMISSIONS FOR THE MORNING REPORT TO TODD BY WEDNESDAY TO TODDPGR2@AOL.COM**



## **SMART-TECH 2006 – WYNN, LAS VEGAS FEBRUARY 27<sup>TH</sup> – MARCH 2<sup>ND</sup>, 2006 CONFERENCE REGISTRATION FORM**

Please fill out this form and fax back to 800-657-9340. Please mail original and payment to: Public Gaming Research Institute, 218 Main Street, #203, Kirkland, WA 98033, or charge to American Express, MasterCard, or Visa (see below).

Each Registration is \$895.00

Conference registration includes all events, cocktail parties, continental breakfasts, luncheons, exhibit hall, all conference seminars.

Contact/ Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State/ Prov. \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_

Signature: \_\_\_\_\_

Number of Registrations \_\_\_\_\_ Total \_\_\_\_\_

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Or on the website at [www.wynnlasvegas.com](http://www.wynnlasvegas.com) under the PUBLIC GAMING/ SMART-TECH 2006 to get special room rates.





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REGISTRATION IS COMPLIMENTARY FOR LOTTERY AND GOVERNMENT EMPLOYEES.

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Contact/ Title: \_\_\_\_\_  
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Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State/ Prov. \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_  
Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_  
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PUBLIC

December 2005

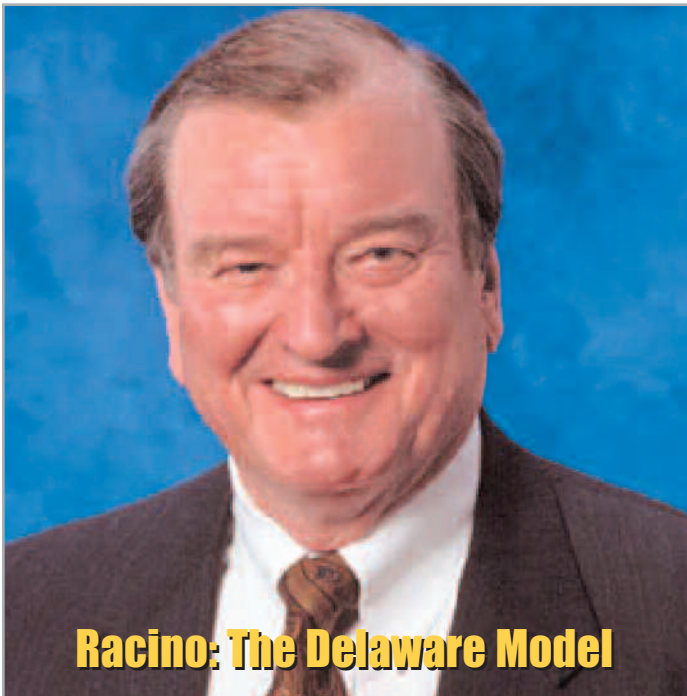
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## Holiday Tickets Target Christmas Shoppers



**Racino: The Delaware Model**



**Tom Shaheen to Head North Carolina**

End of Year Draws • Expansion Updates