

Mohegan Sun Plans Another Expansion

Mohegan Sun is planning another major expansion of what is already one of the world's largest casinos, betting on more growth in the nation's gambling industry.

The Mohegan Indian tribe is planning to roughly double the casino's 1,200 hotel rooms and add to its more than 6,000 slot machines and its table games. Details of the expansion will be announced Thursday.

Mohegan Sun, which has been celebrating its 10th anniversary, has about 10,000 employees and expects to add another 2,000 in the next five years. The casino attracts 35,000 visitors daily and generates about USD 1.5 billion annually in revenue. The tribe sends 25 percent of its slot revenue to the state.

Mohegan Sun and nearby Foxwoods Resort Casino have been rapidly expanding since they opened. The tribes are trying to avoid the mistakes of Atlantic City during the 1970s and 1980s, when a lack of investments left those gambling operations stale and vulnerable to more modern gaming operations, said Eugene Christiansen, chairman of the New York gaming consultant group Christiansen Capital Advisors.

Such investments stimulate more demand and head off the competition, Christiansen said.

„In the long run there will be more casinos in this part of the world,“ Christiansen said.

The Connecticut casinos caught a reprieve last week when voters in nearby Rhode Island rejected a measure that would have allowed gambling giant Harrah's Entertainment Inc. to build a resort casino with the Narragansett Tribe near Providence. But officials are still talking about opening

casinos in the Catskills in New York.

Nearly half of Mohegan Sun's customers come from Connecticut, with most of the rest coming from Rhode Island, Massachusetts and New York.

Mohegan Sun this week opens slot machines in Pennsylvania and is considering casino development deals with other Indian tribes in Wisconsin and Washington.

Foxwoods has broke ground on a USD 700 million expansion that will include an 825-room hotel, convention space and more restaurants and nightclubs. The expansion will add more than 2 million square feet to the resort and is scheduled to open in the summer of 2008.