

Arena and Ladbrokes set to run ,racino'

Betting giant Ladbrokes is believed to be in talks with Britain's biggest racecourse operator about a joint casino venture at the Wolverhampton track.

Under the deal, Arena Leisure – which also owns racecourses in Windsor, Berkshire, and Lingfield, Surrey – would add gaming to its portfolio under one of the Government's new smaller supercasino licence agreements, which will be awarded next year.

Other casino operators have also been approached by Arena, but it is believed that Ladbrokes is the frontrunner to win the deal to create what has been dubbed a ,racino'.

Ladbrokes would run the casino, to be built between the UK's first floodlight track and an existing restaurant, in a profitsharing arrangement with Arena. The gambling group has been courting a number of leisure businesses – including Legoland owner Merlin Entertainments and hotel operator Hilton – to try to produce a leisure and gaming concept that would increase its likelihood of winning some of the supercasino licences.

The ,racino' is part of Arena's ambitions to become an events operator rather than just a racecourse owner. Chief executive Mark Elliott expects sales at the company, which also includes hotels and catering, to grow from £5 million to GBP 20 million in the next three years.

Meanwhile, Arena has just signed a deal with a US television network to broadcast horseraces live into 20 million American homes as part of its At The Races joint venture with BSkyB.