

Gaming results shrink

A slowdown in the locals-casino market and lack of major events in Las Vegas contributed to a decline in Nevada casino winnings in August, gaming experts said Wednesday.

Nevada casinos and resorts suffered 4.4 percent gaming win decline, compared to August of 2006, according to the state Gaming Control Board. It marked the first decline in Nevada's gaming win in five months, the Control Board said.

„What shows in these numbers are pretty poor performances on a statewide basis,“ said Bill Eadington, director of the Institute for the Study of Gambling and Commercial Gaming at the University of Nevada, Reno.

Winning in locals-dependent markets such as North Las Vegas and the Boulder City strip were down substantially.

The gaming win was down 24 percent in North Las Vegas, 15 percent on the Boulder strip and 13 percent in Mesquite.

„When you look carefully at the market, in Las Vegas, the affected areas seem to be the locals market,“ Eadington said. „It makes sense because construction is down and the sub-prime crisis has put a crunch in a lot of sectors but not so much in the tourist areas.

„So, if you look at the difference between the (Las Vegas) Strip and the Boulder highway, you find much more dramatic declines in the local-orientated markets.“

The Las Vegas Strip, the engine of the gaming industry which accounts for more than half of the total win, was down 4.45 percent in August, compared to August of 2006.

Overall, Clark County was down 5.42 percent.

The decline in Strip revenues is partially blamed on the lack

of special events, major prizefights or high-end concerts there during August, Control Board analyst Frank Streshley said.

Streshley added that gaming analysts could see the decline coming because of the sub-prime crisis and the decline of the housing market in Southern Nevada.

„We assumed there would be a concern (among locals) about a stock market slide and negative publicity on declining housing market values,“ Streshley said. „We were assuming this would happen, and it did.“ Gov. Jim Gibbons said he remains confident gaming will rebound despite the downturn.

„Following several months of strong growth, August gaming results were below expectations,“ Gibbons said. „Despite this month’s downturn, we remain confident that 2007 will be another record year for the gaming industry.“

In Northern Nevada, Sparks’ gaming win was up 6.1 percent. But Reno casinos were down 1.6 percent, and that was due largely to gamblers who had good luck at table games, especially craps, Streshley said.

The increase in Sparks’ numbers was partially due to a busy month at John Ascuaga’s Nugget, a Nugget official said.

„We had a pretty busy August, really from a casino generated standpoint,“ said Steve Yarrow, the Nugget’s chief financial officer. „First, we finished up a three-and-a-half-month promotion, „Home Sweet Home,“ in the first week in August and it was a great weekend for the casino.

„The next weekend we had Hot August Nights and it was the first time that we had a Sparks event down here,“ Yarrow said. „Then we finished up with three days of the (Best in the West Nugget) Rib Cook-off. This year we had three days of the Rib Cook-off in August and last year, we only had two.“

There was a decrease of 13.2 percent in percentage fee

collections from resorts, which left the state 7.6 percent, or about USD 15 million, below its earlier projections for revenues. The collections now total USD 182.8 million.

The statewide win of USD 1.02 billion in August was the amount left in casino coffers after gamblers wagered USD 13.8 billion during the month. That included USD 11.4 billion bet in slot machine games and the rest on table games.

„Win“ is a gross figure, with no operating costs or other expenses deducted. It represents casino revenue only, not hotel, restaurant or bar revenues.

A breakdown of the statewide win for August showed that slots accounted for about USD 682 million of the total. That included USD 293.3 million won by multi-denomination slots, down 5 percent.

Penny slots were second with a win of USD 137 million, up 17 percent.

Sports books won USD 6.6 million in August, up 91 percent as the books did well on baseball bets.

Poker games won USD 13 million, down 5.9 percent.