

# Casino bidding war hots up in the Bay

The bidding war for a new casino licence in Nelson Mandela Bay will start in earnest this week when South African and international groups make presentations to show their level of interest in the plan.

City-based empowerment group the Embo Project Management consortium said yesterday it would hold meetings tomorrow in its search for a partner in its licence bid.

Overseas and South African-based companies are among those invited to make presentations at the Marine Hotel.

“Members of the Casino Association of SA and two international organisations – one from the Netherlands and another from Dubai – have contacted us seeking appointments,” said Embo chairman Mcebisi Msizi.

He said two Casino Association members – Century Casino and Tsogo Sun – had confirmed that they would also make presentations to declare their interest in partnering Embo in the licence bid.

Msizi said the country’s two other major hotel and casino groups – Sun International and Gold Reef City, which had also been invited to express interest – had not yet confirmed whether they would be present.

Msizi said several local business, community and youth organisations structures would be observers when the presentations to indicate interest in the bid were made. These organisations would include the National African Federated Chamber of Commerce (Nafcoc), the ANC Youth League, the ANC Women’s League, the Disabled Association, and the Nelson Mandela Bay local economic development unit.

Embo consortium board members would be present. The consortium comprises business figures including Bobo Pemba, Monhle Tys, of Kwezi V3 Engineers; Zandile Matyolo of Zandi Investments; Siva Govender, of Amava Information Technologies; attorney Nomawabo Msizi, and Nafcoc general secretary Loyiso Nkantsu. They announced the group's intention to bid for a casino in Zone 5 (Nelson Mandela Bay) in November last year.

The current Zone 5 licence – held by Emfuleni Resorts, which operates the Boardwalk – is set to expire in September 2010. It has announced that it will be reapplying for the licence.

In terms of legislation, the Eastern Cape Gambling Board is obliged to call for applications at least two years before the expiry of the current licence. "Our company's quest is to secure the licence and seek a strategic partner who has good empowerment credentials, has a history of dealing with empowerment shareholders, and can provide us with casino management, expertise and efficiency in casino operations," Embo said yesterday.

Nafcoc said it was fully behind efforts to have the casino licence granted to Embo.

Bids must be registered by September next year and final proposals lodged in early 2009.

Msizi said at the announcement of the bid plan in November that it was possible that, if the company was successful in its application, a new casino would be built. He indicated that some sites were already under consideration.

On cost, he recalled that the minimum investment stipulated by the provincial gambling board when the present casino was opened had been ZAR 250-million. It was likely, said Msizi, that any new stipulation would be for at least that amount, if not considerably more.

On the location of the casino if the new consortium was

successful in its bid, he said it was not impossible that the Boardwalk could remain the site, but he indicated that construction of an all-new centre was more likely.