

Mississippi casinos face future with optimism

Faced with uncertainty about the future of the economy, Harrah's announced last month that it has slowed construction on the USD 700 Margaritaville Casino and Resort on the beach in east Biloxi. Along the Mississippi coast, however, a muted optimism prevails. MGM Mirage, said earlier it had laid off 100 people between the Biloxi and Tunica County properties.

MGM Mirage, parent company of the nearby Beau Rivage, said earlier this spring it had laid off 100 people between the Biloxi and Tunica County properties. As consumers' expendable income shrinks with the rising cost of food and gas, casino companies' earnings have plummeted almost across the board, and grand expansion plans have fallen along with them.

Along the Mississippi coast, however, a muted optimism prevails, fueled by drive-in traffic that could propel the coast to meet the record-breaking revenue of last year, industry watchers said. Projects like a USD 160 million expansion of the Isle of Capri Resort Casino, put on hold in 2007, are now back on the table.

„That's good news for neighboring areas like Jackson County and south Alabama, where many of the industry's 12,400-plus employees live, and where millions of visitors likely spend some of their money," said Jerry St. Pé, chairman of the Mississippi Gaming Commission.

Encouraging signs are there: Besides the Isle project getting the go, the IP Casino Resort just wrapped up a USD 55 million expansion, and has a USD 5 million showroom addition under way, said spokeswoman Elaine Stevens. Still, summer has been a mixed bag, casino operators said.

Most casinos are luring customers with free room nights, free

food and gaming tokens, which – if the customers don't gamble enough – can eat into their bottom lines, observers said. Although the effect of high fuel prices has reverberated throughout the economy, Mississippi's gambling industry has withstood it better than other markets, said Allen Godfrey, deputy director of the commission.