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Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (Industry, \$ In Thousands)	August 2019	% Change from Prior Year	August 2018	YTD August 2019	% Change from Prior Year	YTD August 2018
Total Gaming Win (includes Internet & Sports Wagering)	\$ 338,839	13%	\$ 299,982	\$2,184,426	17.6%	\$1,858,178
Sports Wagering Revenue	\$ 11,257	114.9	\$ 5,239	\$ 59,271	n/a	\$ 8,036
Internet Gaming Win	\$ 41,101	65.7	\$ 24,804	\$ 297,877	56.6%	\$ 190,242
Casino Gaming Win	\$ 286,480	6.1	\$ 269,939	\$ 1,827,279	10.1%	\$1,659,900

Quarterly Revenue (Industry, \$ In Thousands)	Q2 2019	% Change from Prior year	Q2 2018	YTD June 30, 2019	% Change from Prior Year	YTD June 30, 2018
Casino	\$449,036	12.92	\$397,664	\$857,457	12.17	\$764,439
Rooms	\$155,554	25.31	\$124,132	\$275,166	23.92	\$222,055
Food & Beverage	\$140,908	20.2	\$117,232	\$267,074	22.89	\$217,333
Entertainment & Other	\$61,306	38.89	\$44,141	\$111,745	42.23	\$78,569
Casino Licensees Total Revenue	\$806,804	18.1	\$683,169	\$1,511,442	17.86	\$1,282,396

Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

Casino Hotel Lodging Statistics For the Period Ended June 30, 2019	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Occupancy percentage	81.5	84.8	77.1	81.4
Average Daily Room Rate (ADR)	139.76	136.01	134.37	129.23
Revenue Per Available Room (RevPAR)*	113.90	115.34	103.60	105.19

* RevPAR= ADR X Occupancy Percentage

Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	July 2019	Change from Prior Year	July 2018	YTD July 2019	Change from Prior Year	YTD July 2018
AC Expressway						
Total Toll-Paying Traffic Pleasantville Toll Plaza	2,031,752	-2.5%	2,083,660	11,479,491	4.3%	11,007,600
AC Airport						
Scheduled Service Passengers	78,614	-10.2%	87,495	636,599	1.9%	624,635
Charter Passengers	11,542	4.5%	11,048	58,075	-8.0%	63,120
Total Air Passengers	90,156	-8.5%	98,543	694,674	1.0%	687,755

In LIGHT of the data above... Atlantic City continues to demonstrate strong gaming revenues compared to 2018 indicating a consistent growth within its market segments and further strengthening its position as a premier destination resort on the east coast.

Total Casino Industry win for the month (\$ 338.8 million) exceeded July 2019 (\$323.3) by 4.8% and is currently the highest earning month for the year-to-date. August 2019 is also the highest earning August since 2012 (\$313.2 million) and represents the second highest single month revenue since July 2011 (\$340.3 million)

Of the city's nine casinos eight (including the industry's two newest entrants) saw year-over-year increases in total gaming revenue for the month of August. Year-to-date industry total gaming revenue (\$2.18 billion) exceeded the previous twelve-month period (\$1.86 billion) by 17.6% (\$326.25 million).

August 2019 Monthly Industry Sports Betting Handle (\$293.6 million including racetracks) exceeded August 2018 handle (\$95.6 million) by 207%. With the greater share of wagers made through online platforms (84.9%) compared to August 2018 when online platforms represented 22.7% (21.7 million) of all handle for the industry.

Atlantic City Information

Atlantic City Airshow honors veterans – As reported by **The Press of Atlantic City**, the Greater Atlantic City Chamber of Commerce rebranded the 17-year summer staple event, “A Salute to Those That Serve.” Of the estimated 400,000 people who attended the event in 2019, organizers estimate 40,000 were veterans or knew someone who is.

Caesars Entertainment Regional President, Kevin Ortzman to leave Atlantic City - As reported by **The Press of Atlantic City**, Kevin Ortzman, regional president of Bally's Atlantic City, Caesars Atlantic City and Harrah's Resort Atlantic City has left his position with Caesars Entertainment.

New Jersey Gaming News

N.J. Legislature passes law relaxing restrictions on sports betting at Golden Nugget - According to **The Press of Atlantic City**, the New Jersey Legislature passed **Bill A5463** on Aug. 26. If it becomes law, the bill would relax restrictions on professional sports team owners, allowing them to accept wagers on league games that do not involve their teams. This directly impacts Golden Nugget which has been barred from accepting wagers on NBA games due to owner Tilman Fertitta's ownership of the Houston Rockets. Under the new law Golden Nugget would be allowed to accept NBA wagers on games that do not involve the Rockets.

Two offshore sportsbooks pull out of New Jersey - As reported by **CalvinAyre**, two offshore sportsbooks, BetOnline.ag and Bookmaker.eu, are pulling out of operations in New Jersey. Neither sportsbook offered a reason for their decision to cease serving New Jersey customers. Analysts for CalvinAyre speculate the New Jersey Division of Gaming Enforcements crackdown on offshore sportsbooks and the continued shift to legalized platforms may have contributed to their decision.

National Gaming News

Boyd Gaming releases financial report card, views FanDuel partnership as tool to drive foot traffic to casinos - According to a July 30 [press release](#) from Boyd Gaming, summarized by [Calvin Ayre](#), in the three months ending June 30, Boyd Gaming's revenue increased 37.2 percent (\$846 million) over the same period last year. Recent acquisitions in Boyd's core Midwest and South segments and sustained growth in all segments were credited for the revenue gains. In a call with investors, Boyd CEO Keith Smith, said that sportsbooks were drawing in "new and younger customers" to Boyd's casinos and the "incremental traffic" was boosting other gaming and non-gaming verticals. In regard to the FanDuel mobile app, Smith commented that "access to 8m FanDuel customers that we get to market to on a regular basis," could be somewhat significant in the future.

CBS 2019-2020 football broadcasts could feature sports betting ticker - According to [Casino.org](#), CBS network executives are discussing adding a scrolling ticker featuring sports betting odds to their 2019-2020 football season broadcasts. The integration of sports betting into regular broadcasts is expected to increase audience engagement and a Nielsen Sports study, conducted on behalf of the American Gaming Association, estimates the NFL will realize \$2.3 billion annually in new revenue due to the legalization and expansion of sports betting.

DraftKings to partner with Penn National on sports betting app - as reported by [Legal Sports Report](#), the DraftKings Sportsbook will enter the Pennsylvania sports betting market through a 10-year partnership agreement with Penn National. The Meadows Racetrack and Casino, operated by Penn National, is the most likely base for DraftKings Sportsbook's app. Both Meadows and DraftKings have submitted applications to the Pennsylvania Gaming Control Board but have yet to receive licensure. The DraftKings Sportsbook app could launch in Pennsylvania in time for the start of the college and professional sports seasons.

FanDuel becomes authorized gaming operator of Major League Baseball (MLB) - In an Aug. 15 [press release](#), FanDuel and MLB announced a multi-year partnership designating FanDuel as an Authorized Gaming Operator of MLB. FanDuel will also gain access to official MLB data, and permission to use league and team logos at its online and retail sportsbooks.

Iowa becomes first Midwest state to launch sports betting - Three states, Indiana, Iowa and Illinois, legalized sports betting within weeks of each other in May and June 2019. Iowa became the first of the three to launch with nine sports books opening on Aug. 15. Indiana launched on Sept. 1. A launch date has yet to be set for Illinois according to reports in the [Chicago Tribune](#).

MGM Resorts files federal lawsuit blocking tribal casino in Connecticut - As reported by [Calvin Ayre](#), on Aug. 7 MGM Resorts (MGM) filed a lawsuit in the US District Court in Washington, D.C., accusing the U.S. Department of the Interior (DOI) and its Bureau of Indian Affairs (BIA) of violating federal rules by approving a proposed joint-venture between the Mashantucket Pequot and Mohegan tribes to build a casino near Connecticut's northern border with Massachusetts. If completed, the Tribal Winds casino in East Windsor, Connecticut would likely compete with MGM Springfield just over the Massachusetts border.

Oregon becomes twelfth state to launch legal sports betting - As reported by [Legal Sports Betting](#) and the [American Gaming Association](#), Oregon launched its first licensed full-service sportsbook on Aug. 27, becoming the twelfth state to do so. The state is expected to offer its first mobile sports betting two to three weeks into the NFL season when the state lottery opens its online sportsbook.

Saracen Casino Resort breaks ground in Pine Bluff Arkansas - As reported by [Calvin Ayre](#), newly passed legislation in Arkansas, expanding the gaming footprint from two to four casino licenses and authorizing sports gambling in the state, paved the way for the construction of a new \$350-million casino. When completed, the Saracen Casino Resort will feature 300 hotel rooms, a casino, a convention center and several dining outlets. Operators of the casino, the Downstream Development Authority (DDA) of the Quapaw Nation Tribe, anticipate the facility will offer permanent employment for 1,000 local residents.

U.S. Department of Justice to appeal New Hampshire Lottery ruling on the Wire Act - According to [Online Poker Report](#), the U.S. Department of Justice (DOJ) filed a notice of appeal on Aug. 16 challenging the New Hampshire District Court ruling that the Wire Act of 1961 only applies to sports betting, and not to other forms of interstate gaming. This continues a series of challenges and appeals to the Wire Act, most recently set in motion by a [memo released in 2018](#) by the DOJ.

Regional Hospitality & Tourism News

New York City on pace to beat record number of tourists - As reported by [The New York Times](#), New York City's tourism marketing agency, NYC & Company estimates nearly 67 million tourists have visited New York City in the year to date, already exceeding the 2018 annual total (65.2 million). 2019 marks the tenth consecutive year of tourism growth for the city.

Short-term rental tax rolled back for New Jersey shore property owners – As reported by [The Press of Atlantic City](#), property owners who rent their properties directly to a client, not through a website or online marketplace, will no longer be responsible for paying a 6.625 percent state sales tax and 5 percent occupancy fee on short-term rentals. On Aug. 9, New Jersey legislators voted to alter the “Airbnb” tax passed in October 2018 to exclude direct property rentals from taxation. The tax remains in effect for transient accommodations managed through travel agencies or online marketplaces, like Airbnb or VRBO.

National/International Hospitality & Tourism News

Airbnb acquires serviced apartment platform, Urbandoor - According to [Travel Weekly](#), Airbnb has acquired Urbandoor, a platform that partners with local housing owners and operators to offer furnished and serviced apartments to professionals in need of accommodations for business trips, relocations and other longer-term stays. Urbandoor, founded in 2015, has a presence in 60 countries. The company's listings will soon become available through Airbnb. The acquisition is consistent with Airbnb's recent efforts to expand its reach into the corporate travel segment.

Tourism and Hospitality industries adapt to growing trend in multigenerational travel - As reported by **Travel Weekly**, the demand for multigenerational travel options has grown in recent years. Hotels, resorts and tour operators are adapting their services to meet this demand in a variety of ways. Among them, the evolution of hotel spaces designed to meet the needs and expectations of multigenerational travel groups.

U.S. share of international travelers continues to fall- According to U.S. Travel research as reported by **Travel Weekly**, the U.S.'s share of global long-haul travelers continues to fall from 13.7 percent in 2015 to 11.7 percent in 2018, representing a loss of 14 million international visitors and \$59 billion in spending. Analysts expect this trend to continue, with global long-haul travel share dropping below 11 percent by 2022. This drop represents the loss of an additional 41 million visitors and \$180 billion in spending between 2019 and 2022. The strength of the U.S. dollar; ongoing trade tensions; and stiff competition from rivals for international tourism, have been cited as factors contributing to the decline.