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## Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (Industry, \$ In Thousands)	March 2019	% Change from Prior Year	March 2018	YTD March 2019	% Change from Prior Year	YTD March 2018
<b>Total Gaming Win</b> (includes Internet & Sports Wagering)	293,968	34.5	218,498	764,784	28.6	594,867
<b>Sports Wagering Revenue</b>	31,669	N/A	N/A	63,177	N/A	N/A
<b>Internet Gaming Win</b>	39,134	53.0	25,580	104,477	50.3	69,535
<b>Casino Gaming Win</b>	223,164	15.7	192,917	597,129	13.7	525,333

Quarterly Revenue (Industry, \$ In Thousands)	Q4 2018	% Change from Prior year	Q4 2017	Year End December 31, 2018	% Change from Prior Year	Year End December 31, 2017
Casino	389,815	3.1	377,953	1,635,376	4.4	1,566,699
Rooms	128,111	28.4	99,742	535,524	8.2	494,958
Food & Beverage	132,472	23.6	107,173	514,781	12.6	457,184
Entertainment & Other	58,929	52.1	38,738	210,362	20.9	173,975
<b>Casino Licensees Total Revenue</b>	<b>709,327</b>	<b>13.7</b>	<b>623,606</b>	<b>2,896,043</b>	<b>7.5</b>	<b>2,692,816</b>

## Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

Casino Hotel Lodging Statistics For the Period Ended December 31, 2018	Q4 2018	Q4 2017**	YTD 2018	YTD 2017**
Occupancy percentage	72.1%	80.2%	80.7%	86.9%
Average Daily Room Rate (ADR)	131.57	102.00	137.03	108.35
Revenue Per Available Room (RevPAR)*	94.83	81.80	110.65	94.16

\* RevPAR= ADR X Occupancy Percentage, \*\* as reported by the DGE in 2017

## Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	March 2019	Change from Prior Year	March 2018	YTD March 2019	Change from Prior Year	YTD March 2018
<b>AC Expressway</b>						
Total Toll-Paying Traffic Pleasantville Toll Plaza	1,630,606	11.5%	1,462,221	4,344,370	7.7%	4,032,487
<b>AC Airport</b>						
Scheduled Service Passengers	113,145	1.8%	111,110	300,080	3.7%	289,344
Charter Passengers	7,768	-11.6%	8,787	19,814	-14.0%	23,027
<b>Total Air Passengers</b>	<b>120,913</b>	<b>0.9%</b>	<b>119,897</b>	<b>319,894</b>	<b>2.4%</b>	<b>312,371</b>

Note: NJ Transit Rail Service to A.C. suspended to install federally mandated Positive Train Control (PTC) equipment. Service expected to resume May 12, 2019

**In LIGHT of the data above...** March continued a positive trend for Atlantic City with double digit percentage gains in internet and land-based gaming and a strong month-to-month increase in revenue from sports wagering. Total gaming revenue in March 2019 increased 34.5 percent over March 2018 and is 28.6 percent ahead for the year to date. With the popularity of March Madness, we should expect to see sports betting revenues continue to rise into April contributing to overall growth in the Atlantic City Market.

Atlantic City's strong gaming revenue performance is a trend we should expect to see through 2019 and beyond, however year-over-year comparisons may be less pronounced after June 2019, the first month when year-over-year sports betting and nine casino operator data will be available.

Casino Licensees Total Revenue finished out 2018 with strong increases for the fourth quarter (13.7 percent) and year-end (7.5 percent). Non-gaming revenues from Rooms, Food & Beverage, and Entertainment & Other sales showed double digit increases for the quarter, and, with the exception of Room (8.2 percent), double digit increases for the year-end. While first quarter 2019 non-gaming revenues will not be available until the Division of Gaming Enforcement's May 22 release, we should expect see these non-gaming revenues continue to increase in line with the expansion of amenities and an anticipated synergy between sports betting and food & beverage sales.

Casino Licensees strong revenue performance was matched by increases in traffic through the Pleasantville Toll Plaza of the AC Expressway and an increase in the number of passengers taking advantage of scheduled air service at the Atlantic City Airport.

## **Atlantic City Information**

**Boardwalk Hall transformed as venue for Esports tournament** - As reported by **The Press of Atlantic City**, the Adrian Phillips Theater at Jim Whelan Boardwalk Hall was transformed into an Esports venue for the tenth Collegiate Starleague Grand Finals April 26 and 27. More than 120 students from 25 teams hailing from colleges as far away as California and Canada gathered to compete, among them a team fielded by Stockton University. *(Stockton's team won a Rocket League exhibition event, defeating Rutgers and Rowan to win \$2,000 for Children's Hospital)*

**CRDA hears AC Devco proposal for Stockton University dormitory expansion** - As reported by **The Press of Atlantic City**, AC Devco presented the \$62 million expansion project to the Casino Reinvestment Development Authority's land use board for approval on April 18. The full board will vote on the future of the project on May 16. Stockton and AC Devco have yet to sign an agreement for the project, which university President Harvey Kesselman has said is dependent on securing funding.

**Former Owner of Ocean Resort Casino, Bruce Deifik dies in Colorado Crash-** As reported by **The Press of Atlantic City**, Bruce Deifik (64), former owner of Ocean Resort Casino died in a car accident on April 7. Mr. Deifik experienced an "apparent medical condition" while driving home from a Colorado Rockies game, which led to the fatal crash. *LIGHT was saddened to learn of Mr. Deifik's passing, his family will be in our thoughts.*

**New Jersey Transit announces May 12 opening of Atlantic City Rail Line-** As reported by **The Press of Atlantic City**, NJ Transit will reopen the Atlantic City Rail Line on May 12, almost two weeks prior to the previously announced May 24 date and with expanded service.

**Open Container Law could become reality for Atlantic City -** As reported by **The Press of Atlantic City**, a bipartisan bill allowing the open consumption of alcoholic beverages within Atlantic City's Tourism District was introduced to the state Senate on March 4. A companion Assembly bill was expected.

**New bar and restaurant latest small business looking to build on Stockton University's presence in Atlantic City -** As reported by **The Press of Atlantic City**, a new bar and restaurant, Ryfe, is expected to open on Atlantic Avenue this summer. Owner, John Murphy, told The Press that extra foot traffic generated by the presence of Stockton University's Atlantic City campus factored into his decision to buy and convert a long-vacant property into a bar and casual dining restaurant.

**Stockton University forms partnership with Ørsted U.S. Offshore Wind to support research, academic programs and events -** According to a press release published by **Stockton University**, Ørsted and Stockton signed a Memorandum of Understanding in early April. Ørsted will provide funding to assist in promoting educational programming related to alternative energy, climate change and resiliency. Stockton students and faculty may have the opportunity to assist with the development of Ørsted's proposed Ocean Wind project, an offshore wind farm 15 miles from the coast of Atlantic City, should that project receive approval from the New Jersey Board of Public Utilities.

## **New Jersey Gaming News**

**Governor Phil Murphy tells Betting on Sports America conference that New Jersey could surpass Nevada for sports betting in 2020 -** As reported by **The Press of Atlantic City**, on April 24 New Jersey Governor Phil Murphy, told attendees of the Betting on Sports America conference that New Jersey would surpass Nevada as the nation's top sports betting market in 2020. In the first 10 months of legal sports betting in New Jersey, \$2.3 billion was wagered. This compares favorably to Nevada's sports books which handled \$5 billion in wagers in 2018.

**March Madness contributes to sports betting revenue record-** As reported by **Calvin Ayre**, New Jersey's sports betting market generated a record \$31.9 million in revenue and a near record \$372.4 million in handle for March 2019. According to the **March release** from the New Jersey Division of Gaming Enforcement, year to date wagering win for completed sports events totaled \$66.9 million, with \$24.9 million (\$37.2 percent) of wagering win generated from bets made on basketball.

**New Jersey Sportsbooks payout more than \$3 million on Masters' wagers-** As reported by **NJ Gambling Sites**, Tiger Woods' fifth win at the Masters resulted in payouts of over \$3 million to new Jersey sports gamblers. Woods who started the tournament at 18/1 odds and 10 percent of all bets on his winning the tournament outright, finished at -2000 odds, claiming 21 percent of all golf bets.

**Ocean Resort Casino to be renamed Ocean Casino Resort –** As reported by **The Press of Atlantic City** the property previously known as Revel and briefly as ten made its most recent name change

following the launch of a new marketing and rebranding campaign. The property will now be known as Ocean Casino Resort.

**PokerStars fined \$10,000 for taking illegal sports bets** – as reported by [CalvinAyre](#), New Jersey gaming regulators fined PokerStars \$10,000 for accepting wagers on two college-level sports teams in the state. In New Jersey it is illegal to wager on collegiate sports taking place in New Jersey or involving New Jersey-based teams. In November PokerStars accepted 216 bets worth \$2,756 on a basketball game between Rutgers University and Eastern Michigan University and on New Year's Eve accepted one bet on a basketball game between Monmouth University and University of Pennsylvania. Other gaming operators have been fined in recent months for similar offenses leading some legislators to recommend that the financial penalty for violating the law be increased to serve as a more effective deterrent.

## National Gaming News

**Competitive Arkansas casino market leads to closure of Penn National Casino in Tunica, Mississippi** - As reported by [CalvinAyre](#), Penn National has decided to close one of the company's three properties near Tunica, Mississippi due to regional competition. Resorts Casino Tunica, which Penn National purchased in March 2017, is scheduled to close June 30. Penn National will continue to operate Bally's Casino Tunica and Hollywood Casino Tunica. Three casinos in the area have closed since 2014, reducing the number of properties from nine to six.

**Maryland Casinos generate record gaming revenue in March-** As reported by the [Baltimore Business Journal](#), gaming operators in Maryland generated a record \$163.3 million in revenue in March. March 2019 revenue figures surpassed 2018 (\$158 million) by 3.4 percent. MGM National Harbor continued to lead the state's six casinos with \$62.8 million in revenue, a 3.9 percent year-over-year increase.

**New Hampshire Lottery Commission (NHLC) brings first legal challenge to U.S. Department of Justice's (DOJ) November 2018 opinion on the Wire Act** - As reported by [Online Poker Report](#), a federal judge in New Hampshire heard the [NHLC's legal challenge](#) to the [DOJ's November 2018](#) wire act opinion on April 11. New Hampshire is joined by 11 states, including New Jersey, and the District of Columbia in arguing that the DOJ's most recent opinion, that the [1961 Wire Act](#) applies to non-sports gambling, goes beyond the original intent of the act. If the current opinion is enforced, intrastate online casino gaming, intrastate online poker, interstate online poker (as between Nevada, New Jersey and Delaware), daily fantasy sports, interstate marketing for gaming operations, and online lottery sales could all be affected.

**Pennsylvania casinos set gaming revenue record in March-** As reported by [CalvinAyre](#), Pennsylvania casinos experienced record revenue in March 2019. According to the Pennsylvania Gaming Control Board (PGCB), Pennsylvania's 12 Casino operators generated \$309.1 million in March 2019 a nearly 2.9 percent increase over 2018 (\$300.5 million) the previous record for the state.

**Pennsylvania to launch online gambling July 15** – As reported by [CalvinAyre](#), and confirmed by the PGCB on April 17, Pennsylvania plans to launch legal online gambling operations on July 15. The state has already approved 10 iGaming Certificates (land-based casinos) and three iGaming Operators (casino technology partners) to go live on the same date.

**Tony Rodio named CEO of Caesars Entertainment** – According to an April 16 [press release](#) from Caesars Entertainment, Tony Rodio has been named CEO by the company’s Board of Directors. Mr. Rodio who is currently CEO of Affinity Gaming previously served as President, CEO and a member of the Board of Directors of Tropicana Entertainment, Inc.

## **Regional Hospitality & Tourism News**

**Airbnb remits \$4 million in taxes to New Jersey** – As reported by the [Cape May County Herald](#), Airbnb announced on April 15 that it has generated nearly \$4 million in tax revenue for the state of New Jersey since the state adopted a law extending sales tax to short-term rentals. The law, effective October 1, 2018, applies a **6.625 percent sales tax** and a state occupancy fee of 5% (1% in Atlantic City, Newark, and Jersey City, 3.15% in the Wildwoods) on Airbnb listing prices including any cleaning fees, for reservations 89 nights or shorter. [The New York Times](#) examined the impact of Airbnb and a tax on short-term rentals in a March 12 article, noting the fear that an ‘Airbnb tax’ could have widespread implications for traditional summer rentals in coastal communities.

**New Jersey Legislature introduces bill to establish an "Atlantic City International Airport Spaceport Feasibility Study Commission"**- As reported by [NJ.com](#) and recorded with the [New Jersey State Legislature](#), **Senate Bill 3316** would create a commission tasked with studying the feasibility of utilizing Atlantic City International Airport as a spaceport. Supporters of the bill, citing the growth of space tourism, expected to be worth \$34 billion by 2021, and the proximity of the Federal Aviation Administration William J. Hughes Technical Center, suggest designation as a spaceport could stimulate economic activity at Atlantic City International Airport and in the surrounding community.

## **National/International Hospitality & Tourism News**

**Brand USA names Marriott International as official hotel sponsor for ‘United Stories’** - As reported by [Lodging Magazine](#), Brand USA, the destination marketing organization for the United States, has named Marriott International as the official hotel sponsor for their ‘**United Stories**’ campaign. The United Stories campaign aims to attract visitors to the U.S. through visual storytelling efforts.

**Chipotle Mexican Grill Inc. partners with esports company to launch its own gaming tournament-** As reported by [Nation’s Restaurant News](#), Chipotle, a fast-casual restaurant chain, has partnered with DreamHack, a company which produces esports competitions and festivals for gamers, to launch a Chipotle branded gaming tournament. In a bid to further increase the brand’s visibility, Chipotle will also sponsor player lounges for two DreamHack festivals held in Dallas and Atlanta.

**Devastating fire at Notre Dame Cathedral likely to also impact tourism** – As reported by various news sources including [Travel Weekly](#), [The Independent](#), [Vox](#) and [Travel Pulse](#), the April 15 fire that damaged the 856-year-old UNESCO World Heritage Site will have a significant and wide reaching impact in the years ahead. In the aftermath of the fire, travel industry experts struggle to quantify its effect on regional tourism, which had already seen a decline due to prolonged Yellow Vest protests. The Cathedral, which welcomed 13 million tourism visitors in 2018, has been aptly described as the heart of Paris. It is a major tourism destination in a city reliant on the tourism industry.

**Marriott International to launch home-sharing program in May** - As reported by **Hotel Management**, Marriott International which released a beta home-sharing program last year, Tribute Profile Homes, will launch a full home-sharing program in May to compete with home-sharing services like Airbnb and VRBO. The program will be run in partnership with several rental property-management firms and members of Marriott's loyalty program, Bonvoy, will be allowed to redeem rewards points on stays at more than 2,000 homes.

**Restaurant industry sales to reach record \$863 billion in 2019**, As reported by **Nation's Restaurant News**, the National Restaurant Association **State of the Industry Report** predicts a 3.6% year-over-year increase in restaurant sales in 2019 to reach a record \$863 billion.

**Same-store restaurant sales grow 1.2 percent in March and 1 percent for the first quarter** – As reported by **Nation's Restaurant News**, better weather and consumer confidence fueled a 1.2 percent increase in same-store sales in March. Same-store sales, except for a 0.7 percent decline in February, have increased month over month since June of 2018. First quarter 2019 sales increased 1.0 percent over fourth quarter 2018, which was the fourth consecutive quarter of positive growth for the industry.

**Supreme Court decision eliminates need for localities to form 'voluntary tax agreements' with Airbnb** - According to a **report** released on behalf of the American Hotel and Lodging Association, "Airbnb no longer qualifies—if it ever did—for privileged treatment by tax agencies as a 'voluntary collector.'" The report references the *Wayfair vs. South Dakota* Supreme Court decision as proof that Airbnb has enough of a connection to states to be "mandatorily required to collect lodging and sales taxes," and that the company should be treated in the same manner as similar businesses.