Caesars Entertainment quarterly net revenue declines

By Steve Green, Las Vegas Sun

Caesars Entertainment Corp. on Friday posted improved results for Las Vegas in the fourth quarter as gamblers returned to the Strip in bigger numbers.

While Caesars lost money companywide in the quarter — in part due to a slump in Atlantic City — net revenue in Las Vegas increased from 2009's fourth quarter thanks to the acquisition of Planet Hollywood and higher spending by visitors, despite flat or lower hotel room rates.

Harevey and Harrah's at Stateline saw revenue decline from the previous quarter. Photo/LTN file

Net revenue of $727 million in the Las Vegas market was up from $649 million in the year-earlier quarter.

This helped boost Caesars' profit from operations in Las Vegas from $97 million in 2009’s fourth quarter to $101 million in the 2010 quarter. Same-store sales in Las Vegas increased 0.9 percent, Caesars said.

While hotel occupancy in Las Vegas remained above 90 percent, average daily room rates fell or were flat because of increases in the city’s room count, Caesars said.

Caesars’ Las Vegas properties are Bally’s Las Vegas, Bill’s Gamblin’ Hall & Saloon, Caesars Palace, Flamingo Las Vegas, Harrah’s Las Vegas, Imperial Palace, Paris Las Vegas, Planet Hollywood and the Rio.

Friday’s numbers indicate these properties are holding their own against intense competition from the likes of MGM Resorts International, Wynn Resorts, Las Vegas Sands and newly-opened competitor the Cosmopolitan.

Caesars’ properties in Laughlin, Reno and Lake Tahoe generated quarterly net revenue of $94 million, down from $102 million as visitation declined and guests spent less.

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