

Gaming industry across U.S. on growth spurt

By Ed Komenda, Las Vegas Sun

The U.S. casino industry captured \$37.3 billion in gaming revenues in 2012, a 4.8 percent increase from 2011.

That growth rate is largest since the recession swept through the industry in 2008, according to an annual report released today by the American Gaming Association.

The AGA's "State of the States" survey – a national snapshot of the casino industry based on economic data and public opinion – targets 22 states with commercial casinos and racetracks.

Frank J. Fahrenkopf, the AGA's president and CEO, said this year's data is a major bright spot in an industry marred by a recession that hemorrhaged workers and construction projects through the recession.



People continue to spend their money gambling at casinos. Photo/LTN file

"After three years of increasing growth and positive signs in all sectors of the industry, it's clear we've weathered the recession," Fahrenkopf said in a statement. "Whether we look

at jobs, casino visitors served or tax revenues being provided, the bottom line is that there is much to be optimistic about in the commercial casino industry.”

In 2012, consumers spent \$10.86 billion in Nevada casinos, 1.5 percent more than they did in 2011, when they spent \$10.7 billion.

Of the 22 surveyed states with casinos or racetracks, 15 saw an uptick in consumer spending between 2011 and 2012.

Accelerated by the openings of casinos, spending in Kansas ballooned by 603 percent, growing from \$48 million to \$341 million in 12 months. The AGA attributes the growth to a full year of operations of the Kansas Star Casino in Mulvane and the opening of the Hollywood Casino at the Kansas Speedway.

Maryland saw another stellar increase in consumer spending, which increased by 142 percent, from \$155 million to \$377 million, rocketed by the opening of the Maryland Live! Casino.

Spending in New Jersey – home of the famed Atlantic City market – dropping from \$3.32 billion to \$3.05 billion. While the opening of Revel Atlantic City led to an uptick in jobs, the growth of regional competition and Hurricane Sandy led to the loss in revenue.

In 2012, Nevada had 170,000 commercial casino employees, a 2.4 percent drop from the previous year.

Employment grew by 5.8 percent in New Jersey, from 32,800 employees to 34,700.

The number of casino employees in New York grew by 9.2 percent, from 4,700 to 5,200. Many of those new employees went to work for Resorts World New York in Queens.

In all, the casino industry lost less than 1 percent of its employees, falling from 335,000 to 332,000.

The casino industry last year contributed \$8.6 billion to the government in tax revenues, up 8.5 percent from 2011.

Gaming taxes in Nevada brought in \$868 million, less than a percent more than the year before.

The AGA survey says 34 percent of Americans visited casinos last year.

Many of them did much more than gambling: more than 69 percent of casino visitors ate at a fine-dining restaurants, 55 percent saw a show or concert and nearly 45 percent visited a club. About 26 percent of those visitors said they never or rarely gamble when they visit casinos.

In the realm of public opinion, the survey says, the majority of Americans think casino gaming is acceptable for themselves or others.