



## FANTINI'S GAMING REPORT®

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### Special Reporting Service

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### *Fantini's COVID-19 Gaming Daily*

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**NOTE:** We welcome all news and developments that companies and investors want to submit for this report. Send to [Editor@FantiniResearch.com](mailto:Editor@FantiniResearch.com). In addition, you may reach Editor Blake Weishaar at [BWeishaar@FantiniResearch.com](mailto:BWeishaar@FantiniResearch.com) or by phone at +1 302 730 3793.

RE-OPENING PLANS: AC, NV

#### AC CASINOS' PLAN

Atlantic City's casinos through the Casino Association of New Jersey and healthcare system AtlantiCare have devised a plan for casino re-openings.

AtlantiCare will provide resources including healthcare metrics, data and forecasts to assist and collaborate with casinos.

AtlantiCare will also guide the reopening protocols of casinos and provide information about effective cleaning and health practices.

“We want Atlantic City to be ready to open as soon as the government determines it is appropriate to do so, casino association President Steve Callender said.

## NV UNCLEAR

On Thursday, Nevada Gov. Steve Sisolak is expected to address reopening the economy in an environment where Wynn Resorts and Treasure Island have begun taking hotel reservations again.

Nevada’s stay-at-home order will be extended, and casinos will remain closed until the third or fourth phase in the state’s reopening plan, Sisolak told ABC-TV.

The state is still in Phase Zero but is getting closer to reopening as COVID-19 cases are plateauing, he said.

Las Vegas Sands and Wynn Resorts have each released detailed proposed plans to safely reopen their Las Vegas Strip properties.

## KENTUCKY STABLE OPENINGS

Churchill Downs has been given the go ahead by Gov. Andy Beshear to open stables and its training center on May 11, under strict guidelines.

An actual opening date for the Spring Meet has not yet been set but could come any day. Track officials said they will evaluate the situation of incoming horses and procedures however races will not have spectators.

CHDN and other tracks in the state have protocols in place for their facilities with criteria set by public health experts.

May 14 is the first open day on Churchill’s race calendar.

## LV REVENUE FALLS

Las Vegas gaming revenues dropped 45.67 percent in March as casinos statewide closed March 17.

Nevada revenue declined 39.57 percent.

Casinos were doing healthy business prior to closing as average daily revenue was up 10.19 percent statewide vs. last year while the Strip fell just 0.92 percent.

Las Vegas locals and downtown casinos declined less than the Strip, which was likely affected by soft international visitation.

One big outlier was the Boulder Strip, which grew 1.80 percent.

## MACAU: VISITATION DOWN, GUANGDONG, FUJIAN RECOVERING

### VISITATION DOWN

Visitation to Macau declined 93.7 percent year-over-year to 212,311 in March.

The number of overnight visitors dropped 92 percent to 125,896 and day trippers was down 95.2 percent to 86,415.

Mainland China's visitors swooped down 96.3 percent to 88,890, as visitors from Hong Kong dove 81.5 percent to 111,347.

There were only 100 package tour visitors in March as group tours were largely suspended in February.

Hotel occupancy dropped 67.6 points to 23.2 percent in the month.

A total of 240,000 guests checked into hotels and guesthouses in March, down 79.7 percent vs. last year.

Visitation, occupancy statistics: [https://www.dsec.gov.mo/home\\_enus\\_old.aspx](https://www.dsec.gov.mo/home_enus_old.aspx).

### GUANGDONG, FUJIAN RECOVERING

On the brighter side, Guangdong and Fujian provinces, which provide 25 percent of Macau's gaming revenue appear to be recovering the quickest from COVID-19, analysts at Bernstein said.

As an example, 93 percent of their restaurants have reopened vs. 63 percent in the rest of China.

If the number of cases of COVID-19 remain under control in China, Macau will likely begin to lift travel restrictions in May or June, analysts said.

The number of cases in Macau has remained at 45 since April 7 and the number of cases in Hong Kong has been flat at 1,037 for three days.

### LAND-BASED LAG, ONLINE BOOM

Land-based gaming is expected to recover slowly while online should boom in the environment presented by COVID-19.

Barry Jonas of SunTrust expects a slower Las Vegas Strip recovery as it relies more on table games and non-gaming amenities than regional casinos.

Gaming technology could be negatively impacted as casinos buy fewer slot machines and deemphasize more expensive participation games, Jonas said.

Sixty percent of slot floor capacity could be shuttered by social distancing, or perhaps less if properties use the high-cost plexiglass dividers, Jonas quoted Slot Strategies consultant Buddy Frank.

Frank expects table games to run at a third of normal capacity when casinos reopen.

David Katz of Jefferies believes the virus crisis is an opportunity for states to accelerate sports betting and iGaming legislation, which could benefit IGT, Scientific Games and AGS as well as land-based operators with mobile sportsbook operations including Eldorado, Caesars, Boyd and MGM Resorts.

Inspired Entertainment says it believes it is well positioned to rebound more rapidly than other gaming companies. Katz also holds that same view for small gaming companies.

States could be more inclined to legalize virtual online sports betting as they seek recurring revenues unaffected by casino and live event closings, he said.

#### COMPANIES: MGM, SCREAMING IMAGES, WYNN

- MGM RESORTS entered into an amended credit agreement that waives rent-adjusted net debt-to-EBITDA and interest covenants through the second quarter of next year.

MGM pledged the MGM Growth Properties operating partnership units held by loan parties for the amendment.

MGM will not be allowed to incur liens, make restricted payments or investments or prepay subordinated debt before rent-adjusted net debt-to-EBITDA is equal to or below six times.

Elsewhere, MGM canceled all entertainment that was scheduled for June in Las Vegas, KSNV-TV reported.

- SCREAMING IMAGES. The Las Vegas-based graphic design company is developing clear acrylic safety shields that could be used on table games and slot machines, Las Vegas Review Journal reported.

The shields do not require screws, so equipment would not be damaged and installation would take 15 minutes or less.

The firm is testing the shields at the El Cortez and some hotels are in talks about ordering after Screaming Images received positive feedback, the company said.

- WYNN RESORTS will pay for employees to be tested for COVID-19 by the Las Vegas University Medical Center.

#### TRIBAL: CALIFORNIA, WIND CREEK

- CALIFORNIA tribal casinos are starting to consider reopening.

Big Sandy Rancheria of Western Mono Indians might reopen Mono Wind casino in central California this Friday, though that could change, Global Gaming News reported.

Red Rock Resorts-managed Graton Rancheria plans to follow guidance from Gov. Gavin Newsom on reopening the Graton Casino, one of the state's largest, about 90 miles from Sacramento.

The Yocha Dehe Wintun Nation is creating space for social distancing and other reopening preparations for Cache Creek casino. Tribal Chairman Anthony Roberts said the most effective way to combat the virus is to take steps together with the state.

- WIND CREEK. The gaming arm of the Poarch Creek Indians plans to reopen casinos as soon as it can provide guests and staff an exciting experience without taking irresponsible public health risks, Alabama News Network quoted CEO Jay Dorris.

A soft reopening will initially take place at its Alabama and Pennsylvania casinos, with small groups of guests to test procedures.

Wind Creek will limit the number of guests, step up the frequency of cleaning and increase the use of protective equipment by staff.

#### US, CANADA: CANADA, US, WA

- CANADA has lifted restrictions that were preventing gaming companies from accessing COVID-19 relief funds.

Gamers will no longer be excluded from the Business Development Bank of Canada's emergency and small business co-lending program.

- US. Americans are cautious on going to concerts, movies and sporting events until there is a vaccine for COVID-19, according to a Reuters and Ipsos poll.

Forty percent say they would go to such events before a vaccine is available but an equal 40 percent would wait on a vaccine, even if it took more than a year.

Sporting events fared the worst in the poll, with just 17 percent of respondents saying they would attend when reopened while 27 percent said they would attend a movie theater, concert or live theater performance when reopened.

Full story: <https://www.reuters.com/article/us-health-coronavirus-usa-events/most-americans-to-avoid-sports-other-live-events-before-coronavirus-vaccine-reuters-ipsos-idUSKCN22A2AK>.

- WASHINGTON. Angel of the Winds Casino in Arlington will be smoke-free when it reopens next week, the Everett Herald-Net reported.

The Stillaguamish Tribe is making the change because of COVID-19's effects on the respiratory system.

Tribal leaders said they will remain in contact with Gov. Jay Inslee and said the planned reopening date could change if necessary.

#### INTERNATIONAL: FRANCE, JAPAN, SWITZERLAND

- FRANCE. The French Soccer Federation is ending its season since sporting events cannot resume until September.

- JAPAN. Osaka governor Hirofumi Yoshimura is considering mandating the closure of pachinko parlors in Sakai City if they do not respond to previous closing requests, Inside Asia Gaming reported.

Five of six parlors have closed since they were named publicly.

- SWITZERLAND soccer leagues will resume their seasons without spectators on June 8.

#### CLOSURES: AZ, CT, MO, OK

- ARIZONA. Casinos in Phoenix have extended closures through the first two weeks of May.

Talking Stick and Casino Arizona will remain closed through the month of May.

- CONNECTICUT. Mohegan Gaming will extend the closure of Mohegan Sun in Connecticut until at least May 12.

- MISSOURI casino closures have been extended until May 15.

- OKLAHOMA. River Spirit Casino is extending its closure to May 15.

The casino will pay its 2,200 employees through then.

## FANTINI'S VIRTUAL TRADE SHOW

As COVID-19 has caused the cancellation of many trade shows, now is the time to turn to a virtual show to display and advertise all your product lines and news events too. To exhibit your company, contact Dee Wild-Shyver at [DWild@FantiniResearch.com](mailto:DWild@FantiniResearch.com).

See products, demos, and news from exhibitors at [www.FantinisGamingShow.com](http://www.FantinisGamingShow.com).

## CONVENTIONS, TRADE SHOWS, CONFERENCES, EXPOS

Shows and conferences have been canceled or postponed due to the coronavirus outbreak. As new dates become available or for those that transition to webinars, they will be listed in our online calendar at <https://www.fantiniresearch.com/conventions.html>.

## ABOUT THIS REPORT:

*In Fantini's COVID-19 Gaming Daily report we consolidate all developments about the virus that have business and investment implications for the gaming industry. We will post them on our website until further notice. Fantini's COVID-19 Gaming Daily is a Special Report that is included with all levels of Fantini's Gaming Report subscriptions.*

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