

A publication of the Lloyd D. Levenson Institute of Gaming, Hospitality & Tourism School of Business, Stockton University
Jane Bokunewicz, Ph D, Institute Coordinator

Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (Industry, \$ In Thousands)	August 2020	% Change from Prior Year	August 2019	YTD August 2020	% Change from Prior Year	YTD August 2019
Total Gaming Win (includes Internet & Sports Wagering)	\$ 303,310	-10.5	\$ 338,839	\$ 1,517,074	-30.6	\$ 2,184,426
Sports Wagering Revenue	\$ 16,484	46.4	11,257	\$ 76,895	29.7	\$ 59,271
Internet Gaming Win	\$ 87,773	113.6	\$ 41,102	\$ 597,975	100.7	\$ 297,877
Casino Gaming Win	\$ 199,053	-30.5	\$ 286,480	\$ 842,203	-53.9	\$1,827,279

Quarterly Revenue (Industry, \$ In Thousands)	Q2 2020	% Change from Prior year	Q2 2019	YTD June 30, 2020	% Change from Prior Year	YTD June 30, 2019
Casino	\$111,593	-74.22%	\$432,860	\$466,871	-43.43%	\$825,262
Rooms	\$37	-99.98%	\$156,752	\$97,614	-65.10%	\$279,713
Food & Beverage	\$73	-99.95%	\$144,753	\$103,739	-62.25%	\$274,786
Entertainment & Other	\$9,715	-84.44%	\$62,437	\$48,844	-57.01%	\$113,604
Casino Licensees Total Revenue	\$121,418	-84.76%	\$796,802	717,041	-51.98%	\$1,493,364

Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

[As Atlantic City's casino hotels were closed for the months of April, May and June there is no data available]

Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	July 2020	Change from Prior Year	July 2019	YTD July 2020	Change from Prior Year	YTD July 2019
AC Expressway						
Total Toll-Paying Traffic Pleasantville Toll Plaza	1,631,601	-19.7%	2,031,752	7,681,117	-33.1	11,479,491
AC Airport						
Scheduled Service Passengers	23,787	-69.7%	78,614	308,173	-51.6	636,599
Charter Passengers	1,619	-86.0%	11,542	17,856	-69.3	58,075
Total Air Passengers	25,406	-71.8	90,156	326,029	-53.1	694,674

Atlantic City Meetings and Conventions Data

Source: MeetAC

	Aug '20	Aug '19	% Change from Prior Year	TOTAL 2020 YTD	TOTAL 2019 YTD	% Change from Prior Year
Conventions/Tradeshows/Meetings						
# of Shows	0	3	-100%	19	54	-65%
# of Room Nights	0	690	-100%	68,752	179,184	-62%
# of Delegates	0	1,373	-100%	145,169	302,077	-52%
Delegate Spending	\$0	\$590,138	-100%	\$75,639,458	\$173,825,549	-56%
Boardwalk Hall Bookings						
# of Shows	0	TBD	TBD	11	TBD	TBD
# of Attendees	0	TBD	TBD	129,722	TBD	TBD
Hotel Bookings						
# of Shows	5	9	-44%	36	112	-68%
# of Room Nights	3,385	13,318	-75%	27,624	90,821	-70%
# of Attendees	4,225	10,145	-58%	42,475	86,645	-51%
Delegate Spending	\$1,922,428	\$11,235,643	-83%	\$23,149,017	\$70,163,387	-67%
Monthly Totals						
# Convs_Trade_Mtgs/Boardwalk Hall/Hotel	5	12	-58%	66	166	-60%
# Room Nights	3,385	14,008	-76%	96,376	270,005	-64%
# of Attendees	4,225	11,518	-63%	317,366	388,722	-18%
Delegate Spending	\$1,922,428	\$11,825,781	-84%	\$98,788,475	\$243,988,936	-60%

In LIGHT of the data above... there is some positive news.

August 2020 land-based casino revenues for Atlantic City were down 30.5% compared to August 2019, but up 35% compared to July 2020.

The largest share of the month-over-month increase was due to Borgata being open for the full month of August compared to being open for only six days in July. But even with Borgata removed from the equation, the eight casinos that were open the full months of both July and August increased 14% in August over July, and all the casinos individually saw a month to month increase.

This increase seems to be more than just a seasonal fluctuation. In 2019 the month-to-month increase in land-based casino revenue from July to August was only 3.4%. In some years, like 2016 and 2017 for example, land-based casino win for the month of August was actually less than July.

The growth in Internet Gaming related to COVID-19 appears to be leveling off. Although internet gaming revenues increased 113.6% year over year, August 2020 internet gaming revenue increased by only .3% over July 2020.

Sports wagering was up 9.7% year-over-year and 65% in August over July as more sports came back online.

It will be interesting to see if land-based casino win continues to increase in September as signs are pointing to an extended summer season. For example, in a recent **NJ Monthly** article, Eric Birchler of Birchler Realtors reported September 2020 rentals to be up 500 percent compared to September 2019.

Atlantic City Information

Atlantic City Arts Foundation hosts annual ‘48 Blocks AC’ event – As reported by **The Press of Atlantic City**, the Atlantic City Arts Foundation hosted the annual ‘**48 Blocks AC**’ event August 7-9. The city-wide art & cultural celebration, and Atlantic City’s largest mural arts program, went virtual for 2020 due to COVID-19.

Atlantic City businesses scale back number of J-1 visa workers – As reported by **The Press of Atlantic City**, casino industry, labor and government leaders support a plan to scale back J-1 visa workers in favor of increased employment opportunity for local residents. The initiative is expected to begin next spring with job readiness programs beginning this fall. A phasing out of J-1 visa workers could create hundreds of jobs for locals.

Casino Reinvestment Development Authority (CRDA) approves additional \$350,000 for food assistance programs for Atlantic City residents - As reported by **The Press of Atlantic City**, on August 18, the CRDA approved an additional \$350,000 for a total \$949,655 spent on emergency food services for Atlantic City residents through a food distribution events being called “FeedAC.” A seventh mass food distribution, organized by the Community Food Bank of New Jersey-Southern Branch, was held August 20.

Casino Reinvestment Development Authority (CRDA) approves preliminary site plan for waterpark adjacent to Showboat – As reported by **The Press of Atlantic City**, on August 18, the CRDA voted to approve the preliminary site plan for an indoor waterpark to be built on land adjacent to the Showboat hotel and former casino. A finalized site plan must go through the land use process and final CRDA approval before construction can begin. Showboat owner Bart Blatstein is also seeking a zoning designation change to entertainment retail district that would allow up to a \$5 million rebate in sales tax on the project, half of which would be credited to the CRDA.

Funds from Superstorm Sandy relief grant to be used on Atlantic City infrastructural projects – As reported by **The Press of Atlantic City**, \$20 million was awarded to Atlantic City through the Community Development Block Grant Disaster Recovery grant. The funds are to be used to repair city infrastructure damaged in 2012 due to Superstorm Sandy. Seven projects, including bulkhead construction, repair and replacement, and replacement of 27 traffic signals, will be funded in full or in part by the grant

Governor signs Atlantic City Tourism District open container bill into law – As reported by [The Press of Atlantic City](#), on August 25 New Jersey Governor Phil Murphy signed bill **A299/S1591** into law. The new law permanently allows for the public consumption of alcohol within the Atlantic City Tourism District. The Casino Reinvestment Development Authority (CRDA) will be responsible for determining “open container areas” within the district wherein pedestrians will be permitted to carry and consume open containers of alcoholic beverages. The law makes permanent an executive order that Atlantic City Mayor Marty Small signed in early June in the hope of providing relief to local businesses adapting to the state guidelines for responding to the pandemic.

South Jersey Transportation Authority uses \$16 million in reserves to finance 2020 operating budget – As reported by [The Press of Atlantic City](#), year-to-date toll revenue on the Atlantic City Expressway is down 23.8% from January to July of 2019. Due to revenue reductions resulting from COVID-19-related shutdowns, the South Jersey Transportation Authority voted to use \$16 million in reserved funds toward its 2020 operating budget and debt service.

Workers begin to dismantle former Trump Plaza casino ahead of planned implosion – As reported by [The Press of Atlantic City](#), on August 19 workers began the process of dismantling the former Trump Plaza casino. The interiors will be gutted and parts of the building taken down to facilitate the implosion and removal of the building sometime next year. The former Trump Plaza sits on 10.5 acres centrally located on the Boardwalk, at the foot of the Atlantic City Expressway.

New Jersey Gaming News

Assembly passes bill expanding definition of sports eligible for wagering – As reported by [NJ Online Gambling](#), on July 30 the New Jersey State Assembly passed Bill **A637**, which was referred to the Senate, Wagering, Tourism & Historic Preservation Committee on August 3 (**S2670**). The bill expands the definition of sporting events eligible for wagering to include any skill-based attraction, including awards competitions and competitive eating contests, and specifies that wagering on electronic sports competitions sponsored by or affiliated with high schools or competitions in which the majority of competitors are under the age of 18 will be prohibited. If the bill passes, sportsbooks will be allowed to offer wagering on esports and competitive eating events (among others) without seeking special approval from gaming regulators.

Casino relief legislation stalls – As reported by [The Press of Atlantic City](#), two bills, **S2400/A4032** and **S2398/A4031**, designed to provide financial relief for the casino industry following the March closures, have not progressed in the legislature since mid-June. *On September 14 S2400/A4032 was recommended to the Assembly Appropriations Committee and, along with another similar bill, S2257/A4022 listed for discussion on September 17. On September 17 the Committee cleared S2257/A4022 but held back S2400/A4032. Further coverage from [The Press of Atlantic City](#).*

Owners of Claridge Hotel and former Atlantic Club seek appeal of Casino Control Commission decision not to require lifting of deed restrictions – As reported by [The Press of Atlantic City](#), the owners of Claridge Hotel and the former Atlantic Club are disputing the decision made by the Casino Control Commission not to make the lifting of restrictive covenants prohibiting casino gaming at the Claridge, Atlantic Club and Showboat Hotel Atlantic City a condition of their approval of the Caesars/Eldorado merger.

Wynn Sports app becomes 18th sports betting app in New Jersey – As reported by [Casion.org](#), Wynn Sports, a unit of Wynn Resorts launched a mobile sports betting app in New Jersey on August 4. Wynn does not operate a land-based casino in New Jersey and is partnering with Caesars Interactive. German based BetBull will provide sports lines/odds.

National Gaming News

Casino anti-smoking bill proposed for Pennsylvania– As reported by [Calvin Ayre](#), legislators in **Pennsylvania** are considering a bill that would ban smoking in casinos. Pennsylvania **House Bill 2298** seeks to amend the Clean Indoor Air Act of June 13, 2008 to include specific requirements for ‘gaming floors,’ bars, nightclubs and other businesses. Casinos would be initially required to make 75% of their gaming floors smoke free but would have the ability to appeal the requirement if revenue in the smoking area is disproportionately higher than the non-smoking area.

Las Vegas Strip reports nearly 85% gaming revenue drop in second quarter 2020 – As reported by the Nevada Gaming Control Board in the **June 2020 Monthly Report**, casinos in the Las Vegas Strip area reported an 84.8% decline in gaming revenue in the three months ended June 2020 compared to the same period in 2019.

Pennsylvania casinos report near pre-pandemic levels of revenue in July 2020 – As reported by [Sports Illustrated](#), Pennsylvania casinos reported \$281.5 million in revenue for the month of July in keeping with pre-pandemic revenue levels for the state. Of the \$281.5 million, 22% (\$61.2 million) was generated by the state’s sports books a significant increase over July 2019 when Pennsylvania sports books generated less than \$4 million in revenue.

U.S. commercial gaming industry sees nearly 79% decline in gaming revenue for the second quarter of 2020 – According to the [American Gaming Association](#), the U.S. commercial gaming industry recorded \$2.3 billion in gaming revenue for **second quarter 2020**, a 78.8% decline from the same period in 2019. Despite limits on capacity, game availability and amenities, reopened casinos in several states are reporting a uptick in consumer demand. South Dakota (+42.5%), Ohio (+19.3%), and Indiana (+7.4%) recorded significant increases in average daily GGR per open casino in the second quarter of 2020. More than 85 percent of U.S. casinos are now open, including nearly 9 in 10 commercial casinos.

Hospitality & Tourism News

Covid-19’s impact on the U.S. hotel industry – As reported by [Travel Pulse](#), a **survey** conducted by Oxford Economics on behalf of the American Hotel & Lodging Association (AHLA), found that nearly 9 out of 10 hotels in the U.S. were forced to furlough or lay off workers due to the pandemic. At the time when the survey was conducted (July 23-27) only 37% of hotels had been able to bring back at least half of their full-time employees while 36% had been unable to bring any of their furloughed or laid-off workers back to full-time employment. More than half of the 600 hotel owners that responded to the survey indicated that, at the time of the survey, they were in danger of losing their property to foreclosure by commercial real estate lenders.

Data from U. S. Bureau of Labor Statistics shows improvement in leisure and hospitality employment – According to an **August 7** release from the U.S. Bureau of Labor Statistics, leisure and hospitality employment increased by 592,000 in July approximately one-third of total monthly employment gain for nonfarm workers (1.8 million). Employment in food service and drinking places rose by 502,000 in July, but, even taken with employment increases in May and June (2.9 million total), employment in the food and beverage industry is down 2.6 million since February.

Motels see increased occupancy due to COVID-19 – As reported by the **Washington Post**, travelers are choosing to stay at motels rather than larger, luxury properties amid the pandemic. The classic architecture of motels (no elevators or indoor corridors, and little common space) eliminates many concerns for travelers practicing physical distancing. Increased interest in road trips, as travelers choose destinations that do not require air travel, have also make these roadside lodgings more attractive. According to McKinsey & Company, occupancy at economy properties (traditionally motels) was 40% in May compared to less than 15% for luxury properties.

New Jersey governor allows indoor dining to resume at 25% capacity – As reported by **The Press of Atlantic City**, on August 28 New Jersey Governor Phil Murphy announced that restaurants would be allowed to open indoor dining at 25% capacity as of 6 a.m. Friday, September 4. Food and Beverage service inside **Atlantic City's casinos**, including on gaming floors, was also allowed to resume at 25% capacity, which is welcome news to casino operators and food service workers who have been out of work since the mid-March shutdown. According to **NJ.com**, the return of indoor dining could put thousands of casino employees back to work.

Nevada governor signs bill protecting hospitality businesses that comply with established health and safety guidelines from COVID-19-related lawsuits – According to a **press release** from the office of Nevada Governor Steve Sisolak, on August 11 Nevada passed the first legislation in the United States protecting hospitality businesses and workers. The bill **SB4** is intended to balance “the protection of workers and the needs of the business community to stay afloat during the pandemic and subsequent economic crisis.” Businesses that do not comply with health and safety protocols as established and regulated by the state Department of Health will not receive the legal protections (limitation of civil liability for personal injury or death resulting from exposure to COVID-19) provided by the bill and may have their state business licenses suspended.