

The Indiana Casino Gaming News

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Historic hotel opens at West Baden

“The 8th Wonder of the World” re-opened last month in Orange County, as the West Baden Springs Hotel officially became part of the French Lick Resort & Casino property.

The hotel, which had been closed to guests since 1932, threw open its doors May 23, after a massive restoration and renovation. Dozens of invited guests and state dignitaries attended the ribbon-cutting, then watched Betty Oakley check in as the first guest in 75 years.

“The restored West Baden Springs Hotel represents the best of what Indiana has to offer – unique architecture, history, and beautiful scenery,” said Indiana Lt. Gov. Becky Skillman. “The hotel will provide thousands of jobs, and spur economic development in the surrounding communities.”

The West Baden Springs Hotel is the crown jewel of the \$382 million French Lick Resort restoration project, which began in August 2005. It features what was once the world’s



An aerial shot of the newly-restored West Baden Springs hotel

largest free span dome, soaring 110 feet above the atrium floor. Six circular stories containing 246 rooms, including eight specialty suites, three historic suites decorated with period furniture, and a lavish Presidential Suite surround the atrium.

Oakley, the daughter of former hotel groundskeeper – and current Historic Landmarks of Indiana volunteer – Doc Jones, was chosen as the first guest because of her father’s part in

making the hotel a destination in the first place.

“The mineral spring waters are what drew people naturally to the area,” said Vice President of Hospitality Jerry Gleason. “Doc Jones and his team were instrumental in putting West Baden on the map as a health resort. We are honored that his family is here today to be a part of the re-grand opening.”

The hotel currently is taking reservations.

Cook Group officially takes over French Lick

Businesses owned by Bloomington billionaire William Cook now officially own a controlling stake in the French Lick Casino & Resort, after the Indiana Gaming Commission approved a buy-out earlier this month.

The Indianapolis-based Lauth Group, which has held a 50 percent stake in French Lick since its inception, agreed to sell its portion of ownership to BSR OC Acqui-

sition - a group controlled by Cook. Cook also controls Orange County Holdings, which owns the other 50 percent of the resort/casino.

Financial terms of the deal were not disclosed.

“We have a long-term view, and we see the long-term impact of the project - not only in its success, but the impact on south-central Indiana,” Steve Ferguson, a spokesman for Orange County

Holdings and president of the Cook Group, told the Louisville *Courier-Journal*. “Lauth is generally a short-term investor. They buy or build, and look to turn (the project) around.

“I’m not saying one side is right or wrong; it’s different.”

Representatives of Lauth acknowledged that their goal always was “to create a Midwest, premiere resort destination in French Lick, and we

believe we’ve done that.” So now, it is time for the company to move on.

“The people at Lauth are proud of our work in developing and constructing this world-class resort,” Bob Lauth, the company’s CEO and chairman, told the *Courier-Journal*. “This was a difficult decision, but one which we believe is in the best interests of the project and the community.”

Threat of competition looms from neighbors

It seems that every year, Indiana's casinos find themselves looking in all directions, trying to figure out where the next bit of competition will spring up.

And right now, it seems that any direction is as good a bet as the next. With legislators in Ohio, Kentucky and Illinois all discussing expanded gaming in one form or another, it's a good bet that Indiana's casinos will have new competition on the block - somewhere - sooner rather than later.

At the moment, Illinois appears to be the front-runner for new casino gaming. By a narrow margin, the Illinois Senate this month passed a bill allowing four new casinos in the Chicago area, as well as expansions to existing casinos. The bill is expected to generate about \$2 billion for the state, which will go toward education, health care, and building new roads and schools.

That bill now is headed for the state House of Representatives, which is said to be opposed to it. But with Illinois Governor Rod Blagojevich ready to sign the bill, who knows how it will turn out?

Ohio voters defeated a measure last year that would have opened new casinos and slot parlors in the state. But now, Clinton County, Ohio officials are looking at how much revenue could be generated if a casino were to open on the Interstate 71 corridor. But even if they do approve, voters still would have to approve the issue - something Ohio voters have proven hesitant to do in the past.

And in Kentucky, casino gaming could prove to be a major issue in this year's gubernatorial race. Incumbent Ernie Fletcher won his primary on a strong anti-casino platform; Democratic challenger Steve Beshear is strongly pro-casino. Thus, the election could prove a referendum on the casino issue - and how it falls could determine if Indiana will see competition from the Bluegrass State.

In all, there's plenty going on in the Competition Watch!

- Mike Smith, President & CEO



In Brief...

Majestic Star goes black tie for Boys & Girls

The Boys & Girls Club of Northwest Indiana held one of its biggest events of the year this month - and Majestic Star was there to lend a hand.

The casino was among the sponsors of the Building Lives Benefit Dinner, Believe & Achieve. Held at the Radisson Hotel in Merrillville,

Indiana, the black-tie event featured a keynote speech from *The Pursuit of Happiness* author Chris Gardner. Will Smith received an Oscar nomination for playing Gardner in a movie based on the book.

Above, General Manager Dave Schugar is joined by employees at the event.

Horseshoe walks for the homeless

Employees of Horseshoe Hammond hit the pavement earlier this month to show their support for helping Gary's homeless population.

On June 2, more than 20 HEROs (Harrah's Employees Reaching Out) came out for the Sojourner Truth House's 8th Annual Walk-A-Thon in Gary. The event is aimed at raising money for the shelter.

The Horseshoe employees showed up to show support for the organization, which is a shelter for homeless and economically disadvantaged women and children in



Northwest Indiana. Last year, the Sojourner Truth House helped 10,844 clients, and assisted more than 700 women and children with necessary medical and dental care they could not otherwise afford on their own.

Admission and Wagering Taxes

Admission Tax, May '07	\$ 6,934,158
Wagering Tax, May '07	\$ 73,966,364
Admission Tax, Fiscal YTD	\$ 76,600,339
Wagering Tax, Fiscal YTD	\$693,294,938
Total Admission and Wagering Tax	\$769,895,277

*Fiscal Year Defined as July 1 to June 30



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Kaufman promoted at Belterra

Kevin Kaufman has been the low man on the casino totem pole.

Before his 21st birthday, he worked as a casino porter in Las Vegas, hoping to move into the big time on the casino floor.

Now, he's running his own casino.

Kaufman recently became one of Indiana's newest casino general managers, when he was promoted to the position at the Belterra Casino, Resort & Spa. He was promoted from within; for five years, he had served as Belterra's senior director of casino operations.

After his career as a porter ended, Kaufman quickly climbed the ranks of the casino industry. On his 21st birthday, he began deal-



ing craps and blackjack in Las Vegas. He returned to his home in the Midwest in 1994, where he helped open one of Iowa's first riverboat casinos. He worked as director of casino operations at Harvey's Casino in Council Bluffs, Iowa, before joining the PNK team. In all, the Belterra is the third casino property Kaufman has called home, and the first where he has served as general manager.

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Caesars Indiana sponsored the miniature golf event for Life-span's annual Senior Games on June 5 in Corydon, Indiana. About 115 seniors competed and Caesars employees – in the green shirts – volunteered for the score keeping and awards ceremony. The games occurred over eight days.



Chareice White, Majestic Star's director of corporate communications, is congratulated by Mary Cossey, executive director of the YWCA of Northwestern Indiana, at the YWCA's annual Women of Distinction Awards banquet. White was honored at the ceremony, which recognizes the professional and personal achievements of local women.

Addiction treatment works, study finds

A Las Vegas study has found that problem gamblers who seek help can be successfully treated for their addiction.

The study, funded by state grants in 2005, was the first in Nevada to assess problem gambling programs. It followed the cases of 75 problem gamblers who agreed to participate, and found that most not only improved their condition, but a handful also used the treatment to beat other compulsions, such as eating or shopping.

"The moral of the story is that treatment works," co-author Bo Bernhard, director of gambling research at UNLV and an assistant professor of sociology and hotel management, told the Las Vegas *SUN*. "The money we have spent seems to be working."

The study found that 90 percent of those in treatment liked the services they received, and all but one surveyed said they would recommend such programs to a friend suffering similar problems. More specifically, 81 percent said they were better able to control their lives after treatment, 67 percent said their financial situation had improved and 73 percent said they had reestablished important relationships. And 84 percent said they were spending less time thinking about gambling.

Several advocates of these treatment programs pointed to both the financial and ethical implications of the study. Financially speaking, Carol O'Hare, executive director of the Nevada Council on Problem Gaming told the *SUN* that there now is increased evidence it is cheaper to treat this disorder than to fix it.

And, if addicts can be treated, some noted that there is an ethical obligation to do so.

Educating the future



LEFT: Eight of the nine Horseshoe employees who recently completed the casino's free GED course, taught by the Horseshoe training team. Now, Horseshoe will cover their calculators and textbooks, and will offer a \$500 completion bonus to any who receive their GEDs.

BELOW: Majestic Star CEO Don Barden (left) and board member Cindy Hall present a scholarship check to Ivy Tech Chancellor J. Guadalupe Valtierra - part of more than \$60,000 in scholarships given away by the Barden Gary Foundation.



ABOVE: Jessica Colin, daughter of Caesars cage worker Barbara L. Colin, received this year's Satre Scholarship from Caesars. Established by former Chairman of the Board Phil Satre, the scholarship is designed to provide funds for college-bound students of Harrah's employees who may not have the means to pay for their education. Jessica will study biology this fall at the University of Evansville.



RIGHT: First Cook Kim Hannah and Dealer Gerard Evans won Grand Victoria's Shining Stars award for June. Also honored this month was Kelli Conley (not pictured), a golf shop employee who received the Grand Victoria Scholarship. The scholarship awards \$2,000 per year for four years, which Jessica will take to Indiana University.

