



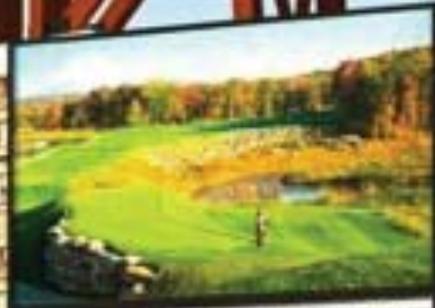
WOODLANDS FAYETTE, LLC
SUITABILITY HEARING
NOVEMBER 17, 2010





NEMACOLIN
WOODLANDS RESORT

Lady Luck
NEMACOLIN



WIN FREE ROUNDS ON
LEGENDARY MYSTIC ROCK
DRAWINGS EVERY DAY



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

LADY LUCK AT NEMACOLIN WOODLANDS

- ▶ Nemascolin Woodlands Resort
- ▶ Isle of Capri Casinos, Inc.
- ▶ TMG Consulting
- ▶ Fenich & Associates

THE TOTAL RESORT EXPERIENCE





EXCEEDS ELIGIBILITY CRITERIA

- ✓ Applicant has not applied for a Category 1 or 2 Slot License
- ✓ Well-Established Resort Hotel
- ✓ More than 275 Rooms Under Common Ownership & Available for Rental
- ✓ Substantial Year-Round Recreational Amenities
- ✓ Applicant is Wholly-Owned by Resort Hotel Owner
- ✓ Significantly further than 15 Linear Miles from Another License Facility

THE TOTAL RESORT EXPERIENCE



LEGISLATIVE INTENT

“The authorization of limited gaming is intended to enhance the further development of the tourism market throughout this Commonwealth, including, but not limited to, year-round recreational and tourism locations in this Commonwealth.”

4 Pa. C.S. s. 1102(6)

IN THE SUPREME COURT OF PENNSYLVANIA
MIDDLE DISTRICT
No. 106 MM 2009

GREENWOOD GAMING AND ENTERTAINMENT, INC.,

PENNSYLVANIA GAMING CONTROL BOARD

VALLEY FORGE CONVENTION CENTER

“[R]ather than seeking applicants who desired, first and foremost, to run a casino, the General Assembly clearly established Category 3 licenses, for only 500 machines, to create an amenity for the resorts winning licenses, thereby increasing the flow of tourism to those facilities and, in turn, into the Commonwealth - a goal of the Act.”

BRIEF OF RESPONDENT
THE PENNSYLVANIA GAMING CONTROL BOARD
IN OPPOSITION TO PETITION FOR REVIEW

On Appeal by Petition for Review from the Order of the Pennsylvania Gaming Control Board Dated May 8, 2009, on Application for Category 3 Slot Machine License, Docket No. 19421

R. Douglas Sherman (PA ID No. 50092)
Stephen S. Cook (PA ID No. 77807)
David C. Hittinger Jr. (PA ID No. 202495)
Pennsylvania Gaming Control Board
Office of Chief Counsel
303 Walnut Street, Strawberry Square
Verizon Tower, 5th Floor
Harrisburg, PA 17101-1825
(717) 346-8300

Attorneys for Respondent
The Pennsylvania Gaming Control Board

DATED: September 21, 2009

Received in Supreme Court

SEP 21 2009

Middle

GREENWOOD GAMING V. PA. GAMING CONTROL BD,
NO. 106 MM 2009 (S.CT. PA) P. 23.

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

MORE TO EXPERIENCE, EVERYTHING TO GAIN

- ▶ Best enhances PA tourism
- ▶ Produces most new tax revenue
- ▶ Least adverse impact on existing PA casinos
- ▶ Creates unparalleled resort destination

THE TOTAL RESORT EXPERIENCE





NEMACOLIN WOODLANDS

MAGGIE HARDY MAGERKO

PRESIDENT, NEMACOLIN WOODLANDS RESORT
PRESIDENT, 84 LUMBER COMPANY



NEMACOLIN

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

MAGGIE HARDY MAGERKO

PRESIDENT, NEMACOLIN WOODLANDS RESORT
PRESIDENT, 84 LUMBER COMPANY

- ❖ Became president of Nemacolin in 1989
- ❖ President of 84 Lumber since 1992
- ❖ Employs approximately 5,500 team members at Nemacolin & 84 Lumber
- ❖ Named one of the top women in American business.

THE TOTAL RESORT EXPERIENCE





COMMITMENT TO PENNSYLVANIA

- ▶  NEMACOLIN
WOODLANDS RESORT
- ▶  **84 LUMBER**
- ▶ 50 years of community involvement in Pennsylvania
- ▶ History of developing and enhancing the Laurel Highlands region
- ▶ Among the largest employers in Western Pennsylvania

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



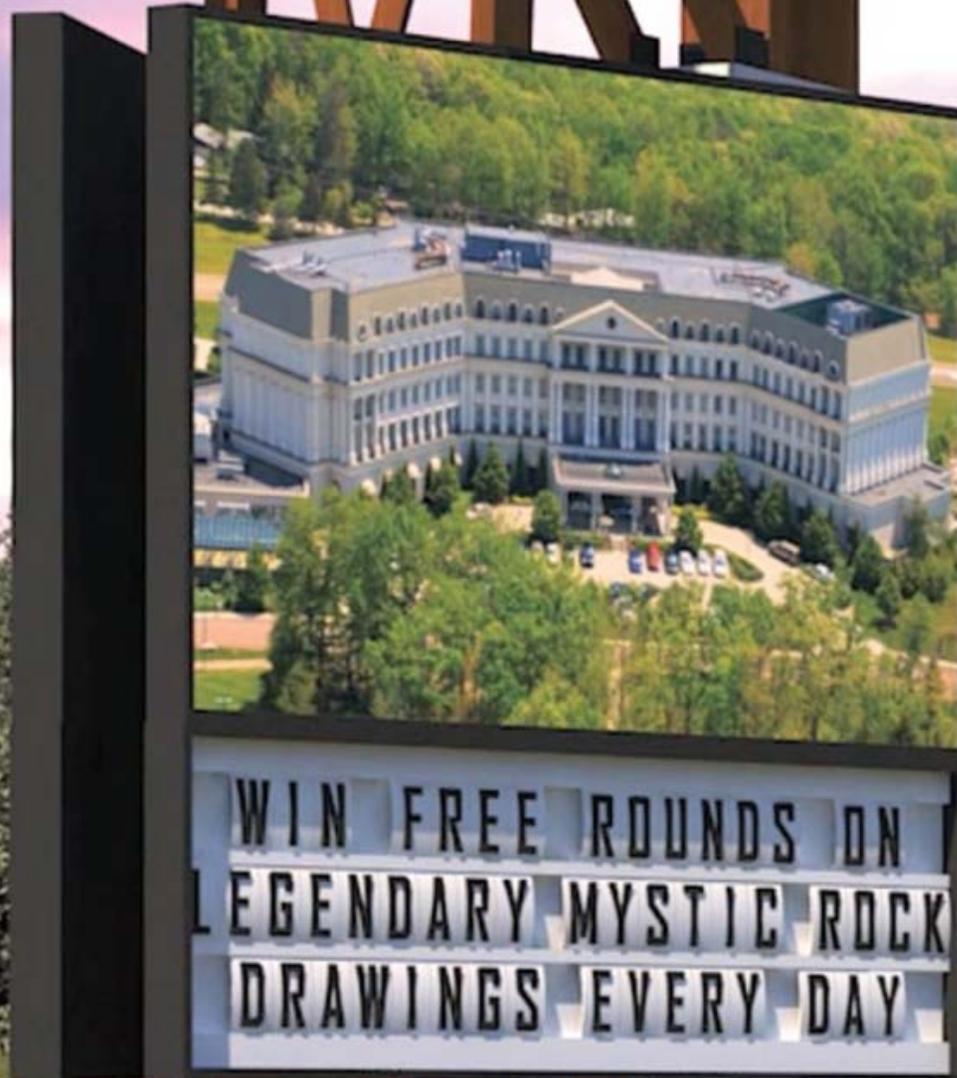
NEMACOLIN

NEMACOLIN WOODLANDS RESORT

- ▶ Originally purchased in 1987
- ▶ Developed & expanded into world-class, award winning resort destination
- ▶ Owned, developed and operated by the Hardy family for 23 years
- ▶ Situated on nearly 2,000 acres of land in the Laurel Highlands region

THE TOTAL RESORT EXPERIENCE







NEMACOLIN OPERATIONS

CHRIS PLUMMER

GENERAL MANAGER
NEMACOLIN WOODLANDS RESORT



NEMACOLIN

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EVERYTHING TO GAIN.



NEMACOLIN

CHRIS PLUMMER

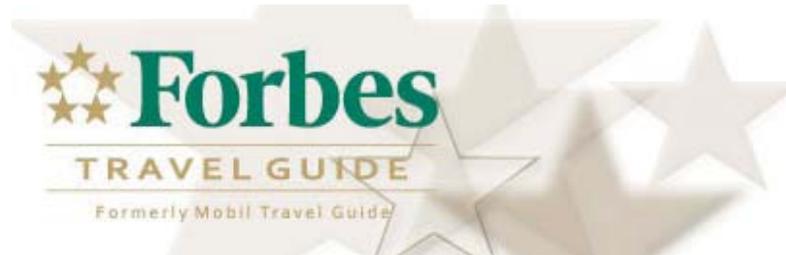
GENERAL MANAGER
NEMACOLIN WOODLANDS RESORT

- ❖ 15 years of experience in tourism & hospitality industry
- ❖ 8 years of gaming experience with Caesars Entertainment
- ❖ Board of Directors, Laurel Highlands Visitors Bureau
- ❖ Graduate of Lebanon Valley College, Annville, PA

THE TOTAL RESORT EXPERIENCE



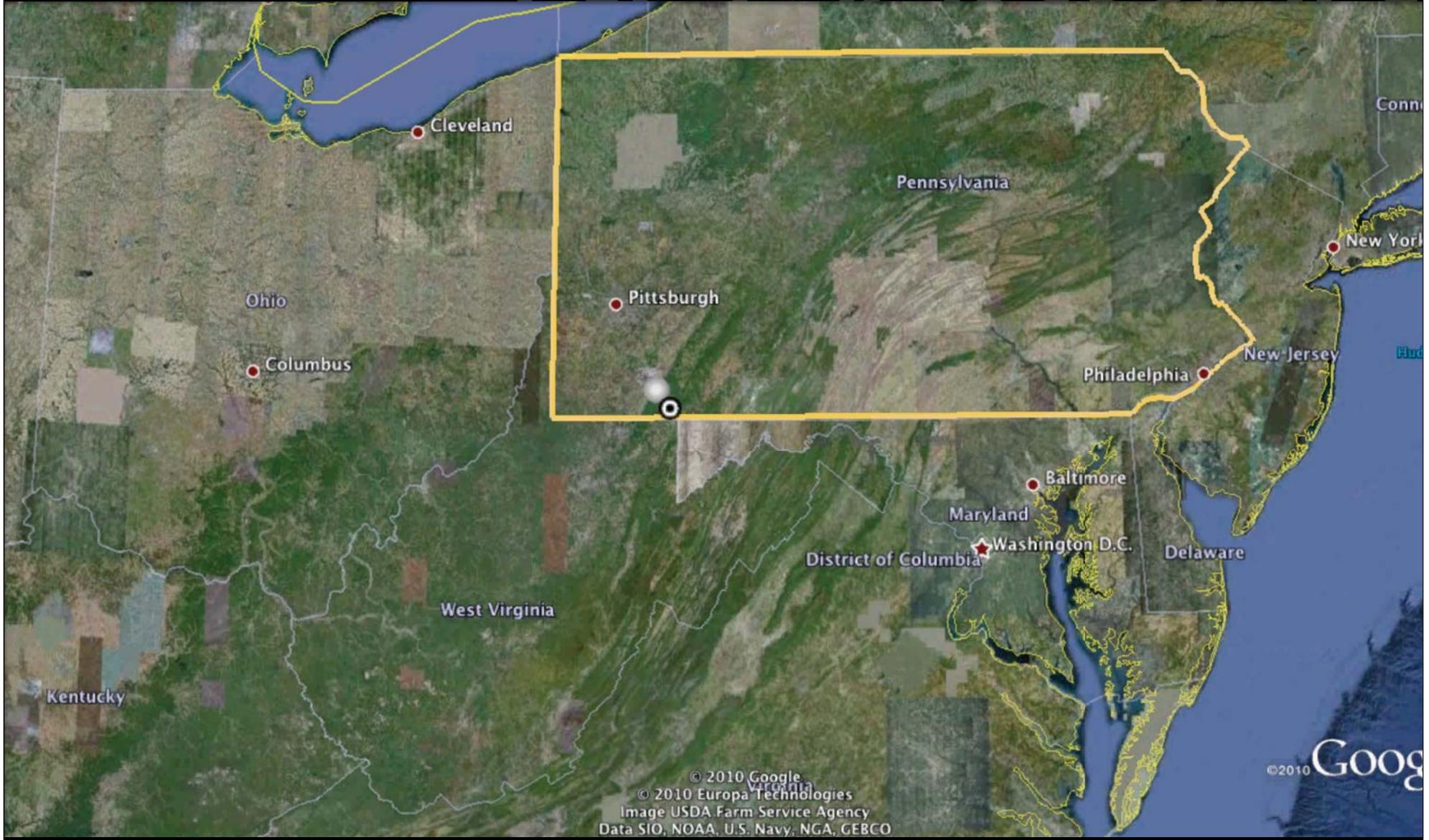
THE AWARDS

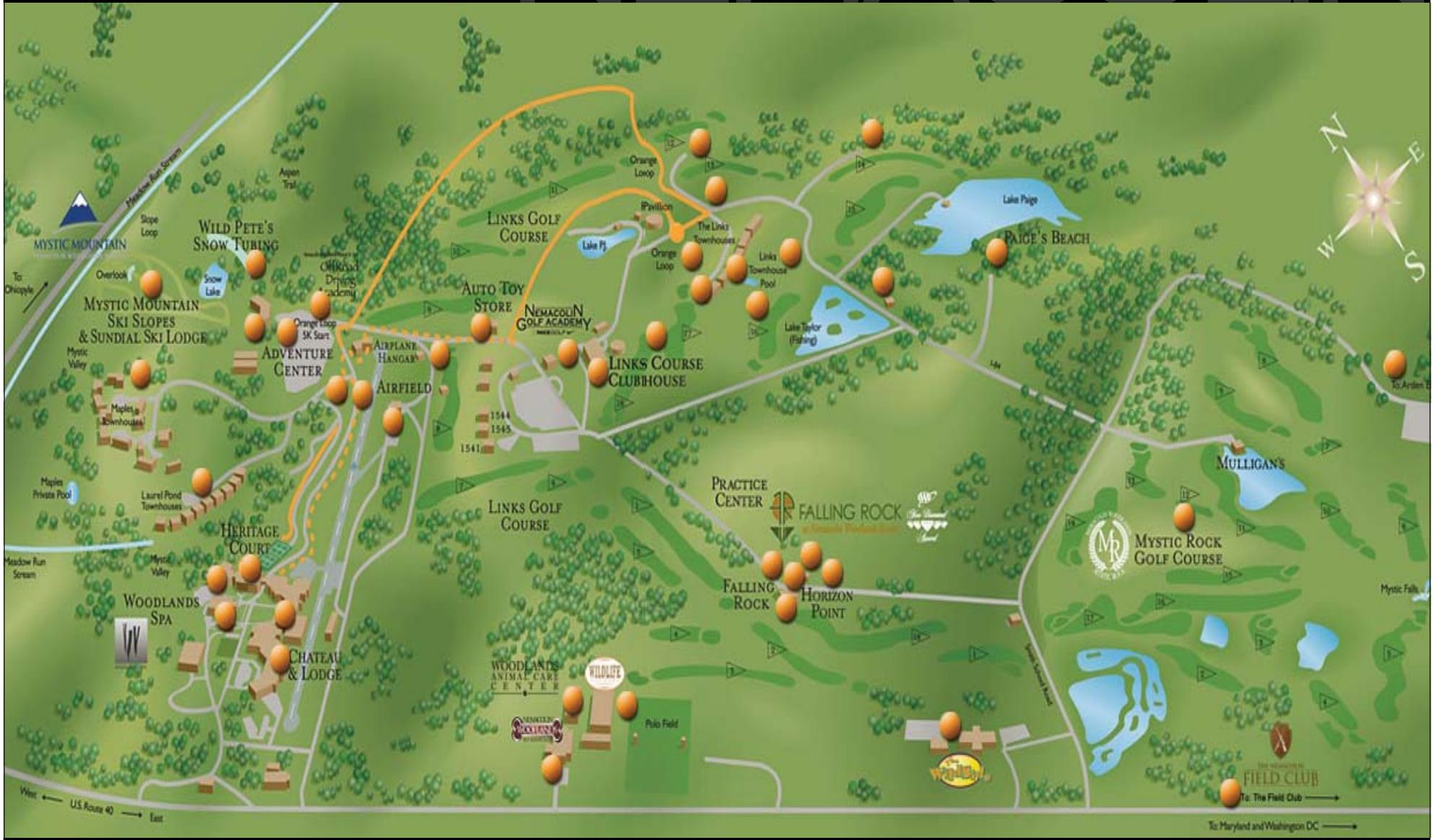


NEMACOLIN
WOODLANDS RESORT

ONE OF AMERICA'S PREMIER RESORTS

NEMACOLIN



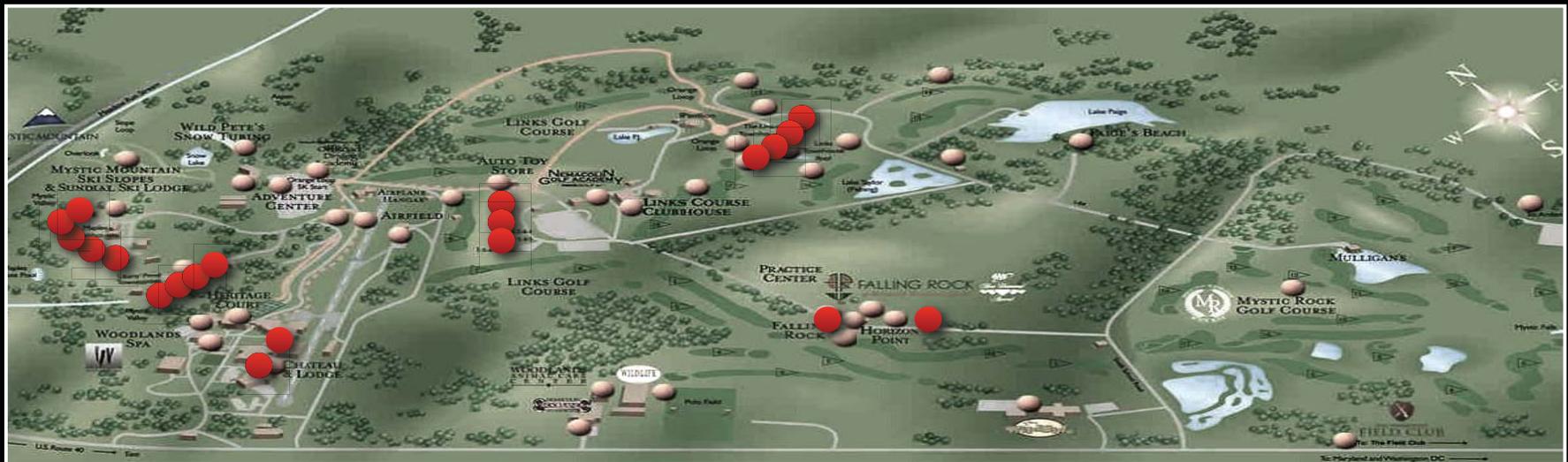


AMENITIES

ACCOMMODATIONS & LODGING



- ◆ Falling Rock Hotel
- ◆ Chateau Lafayette
- ◆ The Lodge
- ◆ Townhomes
- ◆ Luxury Home Collection
- ◆ Maggie Valley RV Park

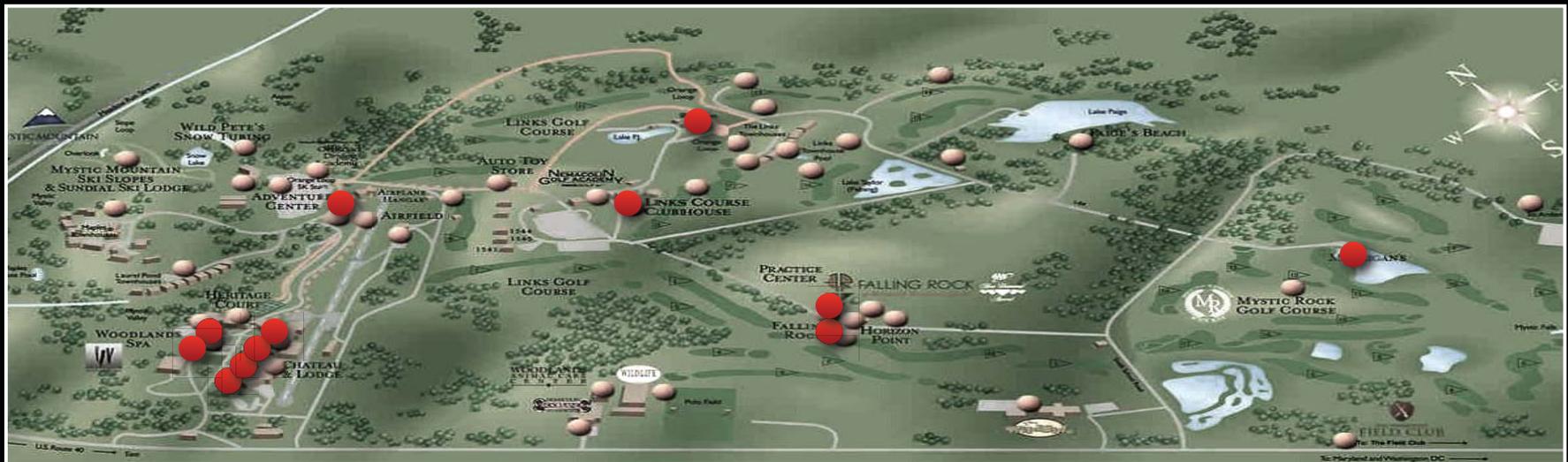


AMENITIES

RESTAURANTS & LOUNGES

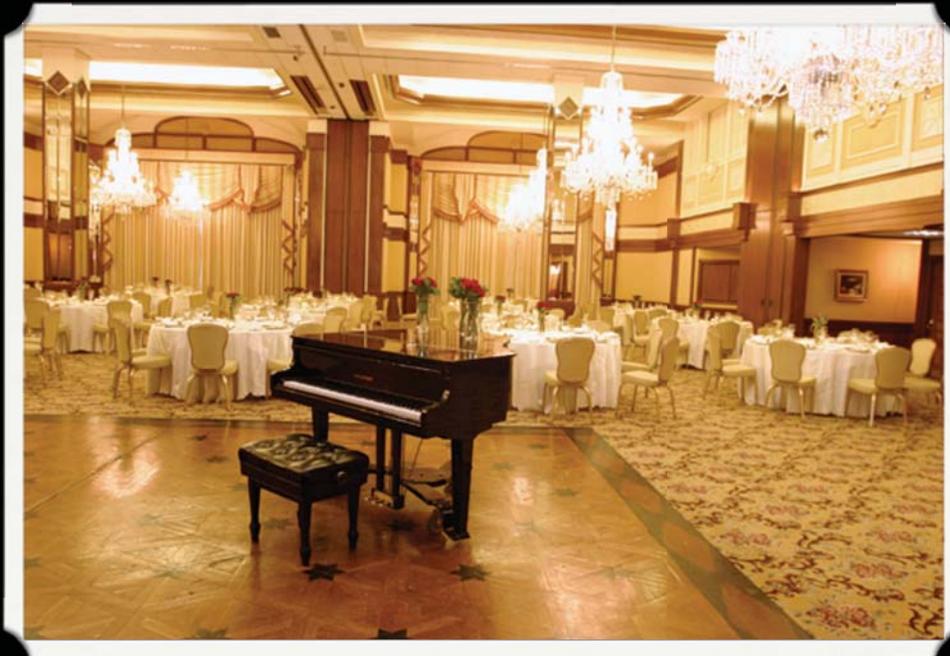


- ♦ 3 Fine Dining Restaurants, including Lautrec
- ♦ 12 Casual Dining Outlets
- ♦ 12 Bars & Lounges
- ♦ Cigar Bar
- ♦ Academie du Vin Wine Tasting Room
- ♦ One of Pennsylvania's Largest Wine Cellars

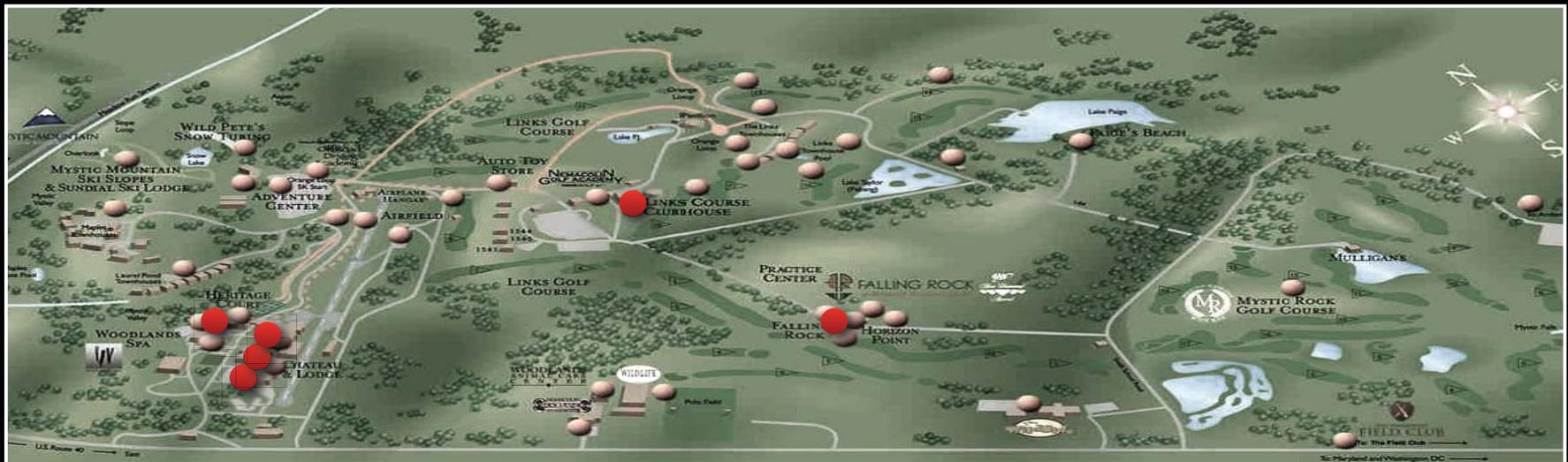


AMENITIES

CONVENTIONS & EVENTS



- ◆ Over 31,000 square feet of meeting and banquet facilities
- ◆ Dedicated planning team
- ◆ Team building activities

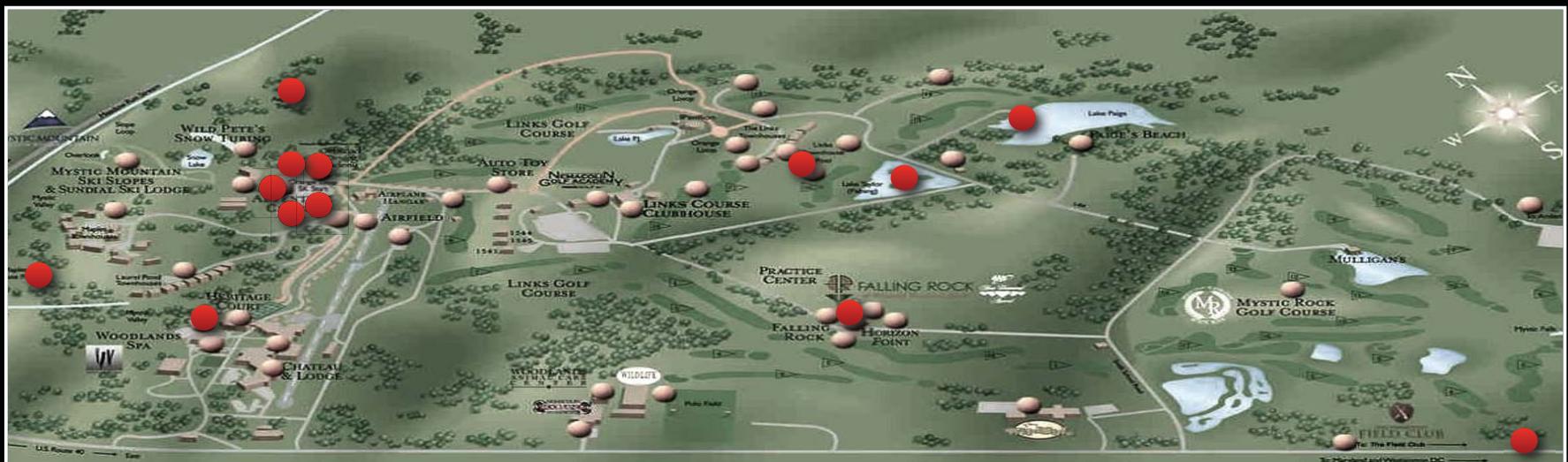


AMENITIES

OUTDOORS



- ◆ Shooting Academy
- ◆ Off-Road Driving Academy
- ◆ Paintball
- ◆ Hiking Trails
- ◆ Mountain Bike Trails
- ◆ Climbing Wall
- ◆ Elevated Ropes Course
- ◆ 3 Zip Lines
- ◆ Archery
- ◆ Dog Sledding
- ◆ Fly Fishing Programs
- ◆ 5 Swimming Pools

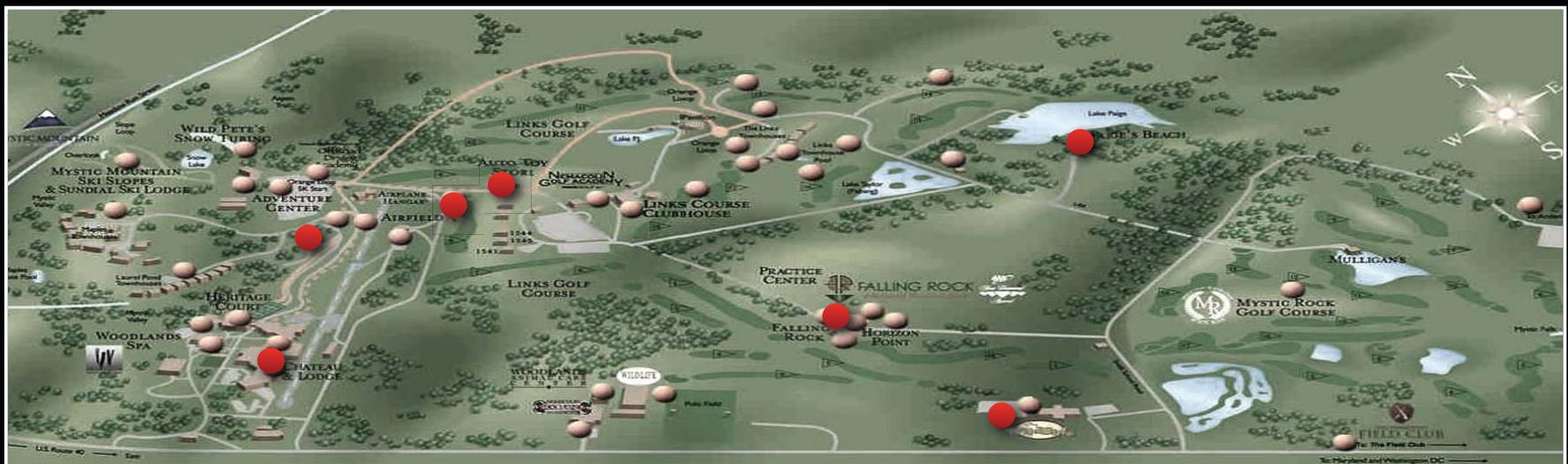


AMENITIES

ART & HISTORY



- ◆ \$45 Million Hardy Family Art Collection
- ◆ Antique Car Museum
- ◆ Thames Racer Museum
- ◆ Vintage Airplane Museum
- ◆ Vintage Gun Museum
- ◆ Historic Section of the Berlin Wall

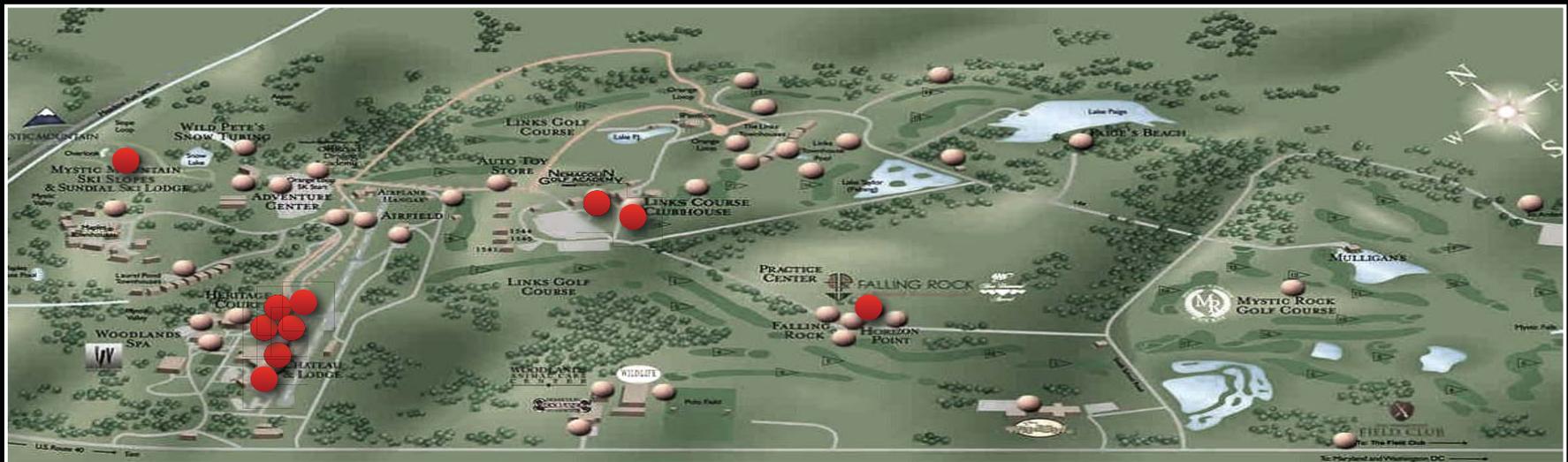


AMENITIES

RETAIL



- ◆ 14 Retail Shops, including a 55,000 sq. ft. shopping arcade
- ◆ Women's Apparel
- ◆ Men's Apparel
- ◆ Nike Golf
- ◆ Mystic Rock Pro Shop
- ◆ Children's Toy Store
- ◆ Starbucks
- ◆ Cigar Shop
- ◆ Hardy & Hayes Jewelers
- ◆ Ski Shop

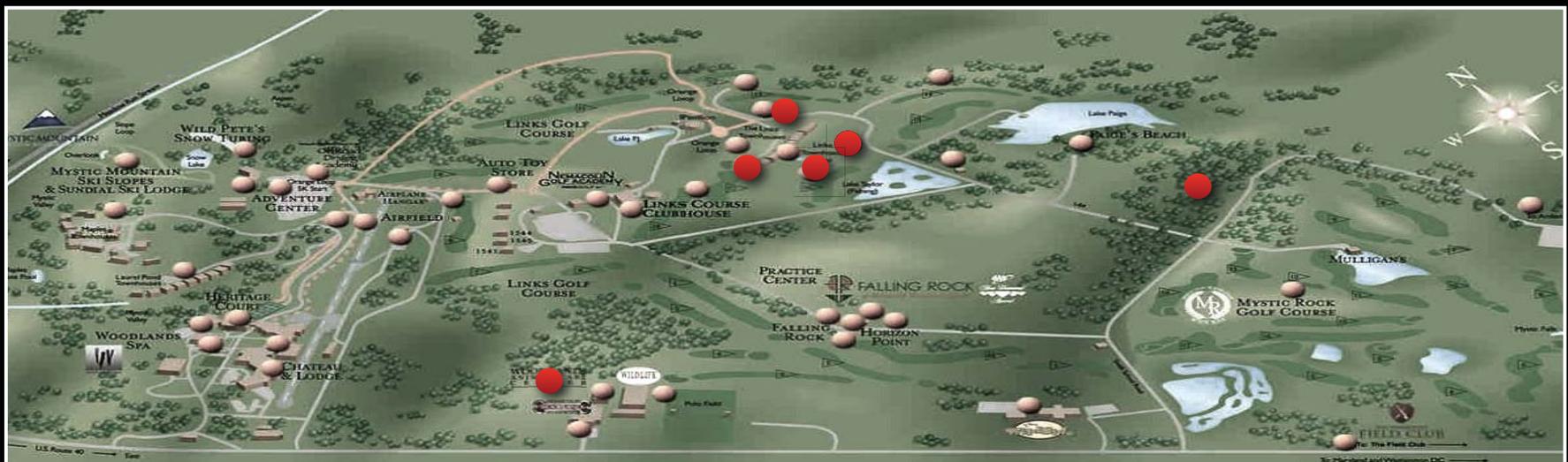


AMENITIES

WILDLIFE ATTRACTIONS



- ◆ Wildlife Academy
- ◆ Wildlife Habitats
 - ◆ Lions
 - ◆ Tigers
 - ◆ White Buffalo
 - ◆ Camels
 - ◆ Bears
 - ◆ Elk
 - ◆ Zebras





NEMACOLIN ASSOCIATES

- ▶ 900 year-round associates, seasonal employment up to 1,200
- ▶ Established diversity programs
- ▶ Special employment benefits include:
 - ▶ Educational Hospitality Certificates
 - ▶ On-Site Instruction and Training Programs
 - ▶ Scholarship Programs
 - ▶ Tuition Reimbursement Program
 - ▶ Earn While You Learn - Associate Degree in Culinary Arts

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

NEMACOLIN CUSTOMERS

- ▶ Currently host 350,000 guests annually
- ▶ 60% of guests are from outside of Pennsylvania
- ▶ Top markets include Washington DC, Maryland, Virginia, Pennsylvania & Ohio

THE TOTAL RESORT EXPERIENCE



NATIONAL CUSTOMER BASE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

NEMACOLIN MARKETING NETWORK

- ▶ Sales & marketing team of 16 associates
- ▶ Over 200 years of hospitality & marketing experience
- ▶ National sales effort
- ▶ Targeted media campaigns

THE TOTAL RESORT EXPERIENCE





IMPORTANCE OF GAMING

- ▶ Adding gaming to Nemacolin will add important new amenity
- ▶ Ability to draw new tourists
- ▶ Projecting substantial increase in room nights, group sales
- ▶ Perfect partnership with Isle of Capri

THE TOTAL RESORT EXPERIENCE







ISLE OF CAPRI CASINOS

JAMES B. PERRY

CHAIRMAN & CHIEF EXECUTIVE OFFICER
ISLE OF CAPRI CASINOS, INC.



NEMACOLIN

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

JAMES B. PERRY

CHAIRMAN & CHIEF EXECUTIVE OFFICER
ISLE OF CAPRI CASINOS, INC.

- ❖ 30 years of experience in gaming, hospitality and tourism
- ❖ Former gaming industry CEO of the year
- ❖ Extensive experience leading major gaming and entertainment destinations
- ❖ Native of New Castle, PA

THE TOTAL RESORT EXPERIENCE

 NEMACOLIN
WOODLANDS RESORT



ISLE OF CAPRI CASINOS

- ▶ Founded in 1992
- ▶ Expertise in regional gaming markets across America
- ▶ One of the ten largest publicly-traded gaming companies in America
- ▶ Senior management team combines for 200 years of gaming experience
 - ▶ Operating experience in 20 states and six foreign countries
 - ▶ More than 75 different gaming properties

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

ISLE OF CAPRI CASINOS

- ▶ 15 properties in six states
- ▶ Nearly 8,000 employees
- ▶ Over 16,000 gaming positions and 2,200 hotel rooms in portfolio

THE TOTAL RESORT EXPERIENCE



OPERATING PHILOSOPHY

- ▶ Follow comprehensive approach to strong operations, focused on
 - ▶ Exceeding customer expectations
 - ▶ A well-trained, courteous team
 - ▶ Creating a friendly and fun atmosphere
 - ▶ Positioning our brands

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

LADY LUCK BRAND

- ▶ Ideal for friendly, comfortable atmosphere
- ▶ Focus on exceptional customer service through training and rewards
- ▶ Offer assortment of most popular slots and tables
- ▶ Include custom amenity packages
 - ▶ Otis & Henry's Restaurant
 - ▶ Lone Wolf Bar
 - ▶ Entertainment Stage



THE TOTAL RESORT EXPERIENCE





LADY LUCK: RIGHT FOR PENNSYLVANIA

- ▶ Through recession, customers driven further towards “Experience Economy”
- ▶ Gaming operators discovering “New Normal” for consumer expenditures
- ▶ Customers demanding more from service, seeking more value from discretionary spend

THE TOTAL RESORT EXPERIENCE







LADY LUCK NEMACOLIN

PAUL KELLER

CHIEF DEVELOPMENT OFFICER
ISLE OF CAPRI CASINOS, INC.



NEMACOLIN

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

PAUL KELLER

CHIEF DEVELOPMENT OFFICER
ISLE OF CAPRI CASINOS, INC.

- ❖ 25 years of experience in project development
- ❖ Extensive experience in entertainment, resort and casino sectors
 - Entertainment experience includes Disney, Epcot Center
- ❖ Has designed award-winning gaming & entertainment projects
- ❖ BSE, Civil Engineering, Duke University
- ❖ MBA, University of Michigan

THE TOTAL RESORT EXPERIENCE





MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

INFRASTRUCTURE

WATER	ADEQUATE EXISTING CAPACITY
SEWER	
ELECTRIC	
GAS	

THE TOTAL RESORT EXPERIENCE



LOCAL IMPACT REPORT

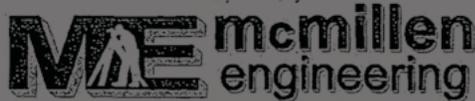
LADY LUCK NEMACOLIN

To be located at the
NEMACOLIN WOODLANDS RESORT AND
Wharton Township, Fayette County, Pennsylvania

Prepared for:
WOODLANDS FAYETTE, LLC

March 30, 2010

Prepared by:



CIVIL ENGINEERS / LAND SURVEYORS

115 Wayland Smith Drive, Uniontown, PA 15401
Phone 724-439-8110 Fax 724-439-4733
Web Site www.mcmilleng.com
Email info@mcmilleng.com



“Nemacolin Woodlands Resort is essentially self-supportive and relies very little on the local community in terms of supplying utilities and services...”



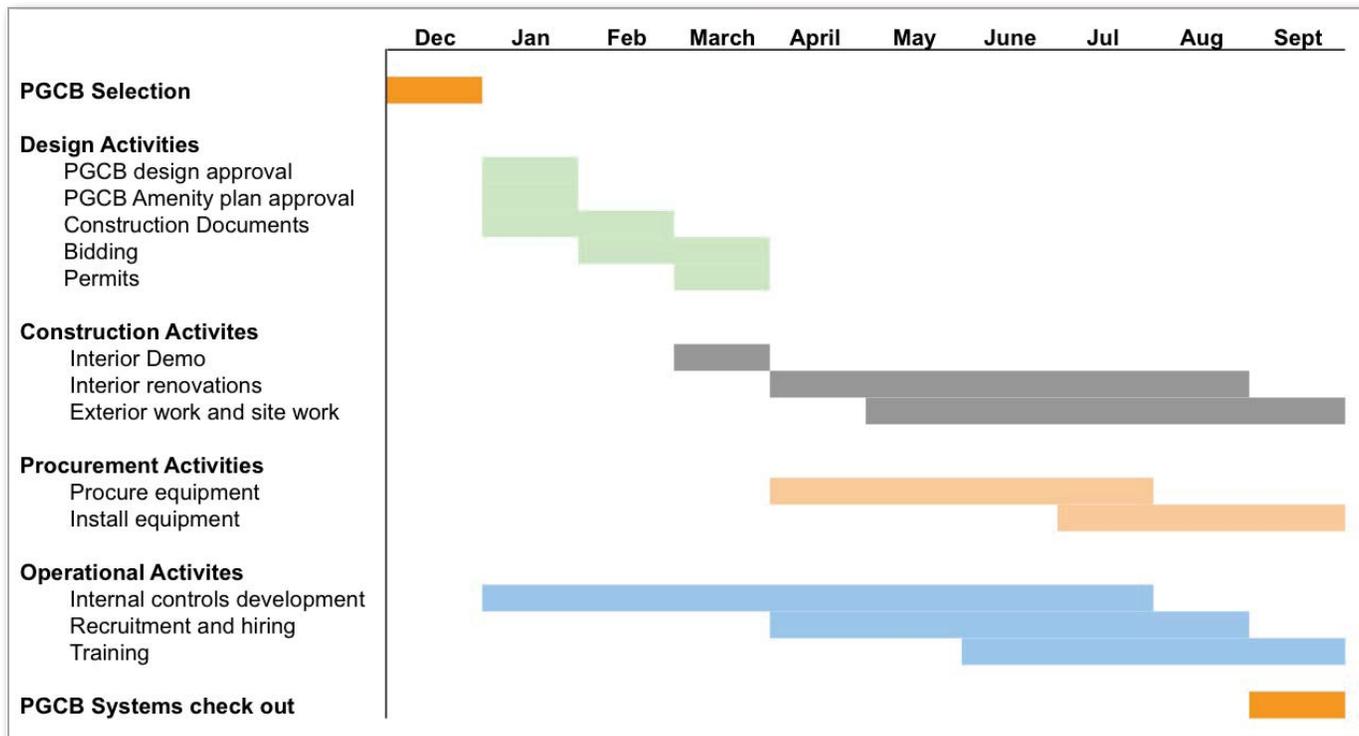
CASINO SITE PLAN







CONSTRUCTION SCHEDULE



THE TOTAL RESORT EXPERIENCE



DESIGN & CONSTRUCTION

- ▶ \$50 million project funded by Isle of Capri
- ▶ 150 construction jobs
- ▶ Isle of Capri team will manage design & construction process
- ▶ Team collectively has managed over \$5 billion worth of projects

THE TOTAL RESORT EXPERIENCE





WIN FREE ROUNDS ON
LEGENDARY MYSTIC ROCK
DRAWINGS EVERY DAY



LADY LUCK NEMACOLIN

VIRGINIA MCDOWELL

PRESIDENT & CHIEF OPERATING OFFICER
ISLE OF CAPRI CASINOS, INC.



NEMACOLIN

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

VIRGINIA MCDOWELL

PRESIDENT & CHIEF OPERATING OFFICER
ISLE OF CAPRI CASINOS, INC.

- ❖ 30 years of gaming industry experience
- ❖ Gaming Industry Executive of the Year, 2009
- ❖ Lifetime Achievement Award in Casino Marketing, 2010
- ❖ Board of Directors, American Gaming Association
- ❖ Board of Trustees, National Center for Responsible Gaming
- ❖ Native of Philadelphia & graduate of Temple University

THE TOTAL RESORT EXPERIENCE





EMPLOYMENT

- ▶ Lady Luck Casino is projected to create 600 new jobs
 - ▶ 400 new casino jobs
 - ▶ 200 new resort jobs
- ▶ 80% target for new employees from Laurel Highlands, 90% from PA
- ▶ Pay-for-Skills bonusing program

THE TOTAL RESORT EXPERIENCE





TRAINING

- ▶ Explore new partnership with local educational institutions for training
 - ▶ Slot attendants
 - ▶ Table games dealers
- ▶ Integrated with proprietary Nemacolin training center
- ▶ Utilize Isle employees from other markets for gaming training, as necessary
- ▶ Emphasize custom Isle of Capri training programs



THE TOTAL RESORT EXPERIENCE





DIVERSITY & COMMUNITY

- ▶ Goal for workforce diversity to exceed local market
- ▶ Employment
 - ▶ Promote & engage equal opportunity in all aspects of employment & training; mentoring programs for new employees
- ▶ Construction & purchasing
 - ▶ Identify, recruit & qualify minority- and women-owned businesses as vendors & construction contractors
- ▶ Charitable
 - ▶ Support organizations affiliated with minority & disadvantaged groups

THE TOTAL RESORT EXPERIENCE





IMPROVING COMMUNITIES

- ▶ Supporting hundreds of community and charitable organizations
 - ▶ American Red Cross
 - ▶ Ronald McDonald House
 - ▶ Toys for Tots
 - ▶ USO
- ▶ Employees have donated over 150,000 volunteer hours
- ▶ Relief Fund established for disaster relief & financial hardship
- ▶ Lead & sponsor many events through Community Aces charitable foundation



COMMUNITY ACES™
Honoring the Legacy of Bernard Goldstein

THE TOTAL RESORT EXPERIENCE



A LEADER IN RESPONSIBLE GAMING

- ▶ Active in leadership of American Gaming Association
- ▶ Annual training in responsible gaming for all team members
- ▶ Promotion & enforcement of self-exclusion programs
- ▶ Will work closely with PA Office of Compulsive & Problem gambling to tailor programs for Pennsylvania

THE TOTAL RESORT EXPERIENCE





MARKETING LADY LUCK

- ▶ Introduce IsleOne players club
 - ▶ Over 1 million active cardholders
 - ▶ Significant existing cross-property visitation
 - ▶ 85% travel to gaming destinations at least once per year
- ▶ Sophisticated marketing and data warehouse programs
 - ▶ Direct mail
 - ▶ Offers & rewards
 - ▶ Promotions & giveaways
- ▶ Cross-marketing opportunities
 - ▶ Jester's Jam concert series

THE TOTAL RESORT EXPERIENCE







LEGISLATIVE INTENT

“The authorization of limited gaming is intended to enhance the further development of the tourism market throughout this Commonwealth, including, but not limited to, year-round recreational and tourism locations in this Commonwealth.”

4 Pa. C.S. s. 1102(6)

INCREASING TOURISM

GEORGE G. FENICH, PH.D.

PRESIDENT
FENICH & ASSOCIATES



NEMACOLIN

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

GEORGE G. FENICH, PH.D.

PRESIDENT
FENICH & ASSOCIATES

- ❖ Over 35 years of experience in tourism & hospitality
- ❖ Ph.D. in policy & planning, Rutgers University
- ❖ Prior Management Role at Shawnee Resort, Poconos
- ❖ Professor, Hospitality Management, East Carolina University
- ❖ Co-author of books, articles and presentations on gaming and tourism
- ❖ Special expertise in destination attractiveness analysis

THE TOTAL RESORT EXPERIENCE





FENICH & ASSOCIATES

- ▶ Clients include over 50 Convention & Visitors Bureaus, Tourism Agencies, Development Agencies, Gaming Companies & Academic Institutions
- ▶ Research Advisor, Pittsburgh Convention and Visitors Bureau
- ▶ Associates have significant expertise in gaming operations
- ▶ Authors of 10 texts, 100 papers and over 100 presentations on casino gaming management, operations & tourism

THE TOTAL RESORT EXPERIENCE





SCOPE OF ENGAGEMENT

- ▶ Pennsylvania tourism market assessment
- ▶ Assessment of all applicants in context of legislative intent

THE TOTAL RESORT EXPERIENCE





REPORT CONCLUSIONS

- ▶ Nemacolin best-positioned to increase tourism at a well-established resort
- ▶ Pennsylvania has unique opportunity to create nationally-renowned resort destination with gaming
- ▶ Only Nemacolin proposes a “resort with gaming” business model
- ▶ Nemacolin is the only applicant who competes with top American resorts for tourism business

THE TOTAL RESORT EXPERIENCE



METHODOLOGY

- ▶ Reliance on firm's existing expertise in tourism & gaming
- ▶ Reliance on established, independent & unbiased sources of data
- ▶ Visited all applicant facilities
- ▶ Visited existing operations at Rivers, Meadows & Mt. Airy

THE TOTAL RESORT EXPERIENCE



TOURIST EXPECTATIONS

- ▶ Fresh style & modern facilities
- ▶ High level of service
- ▶ Innovative, expansive & evolving range of amenities
- ▶ Food & beverage, lodging, sports & entertainment activities all on site
- ▶ Amenity package created for a getaway experience
- ▶ Casino gaming is an increasingly important component of full-service resort facilities

THE TOTAL RESORT EXPERIENCE





RESORT ATTRIBUTES

- ▶ Contain substantial guest attractions within the resort itself
- ▶ Customers expect to travel to access the property
- ▶ Typically cover the large land area necessary for critical mass of destination amenities
- ▶ Most often in relatively remote, rural locations

THE TOTAL RESORT EXPERIENCE



GAMING INDUSTRY TRENDS

- ▶ Casino business trending towards expanded non-gaming amenities
- ▶ Seek to broaden customer appeal and expand business model, due to:
 - ▶ Ever-expanding competition in local casino market due to changing state laws and regulations
 - ▶ Experience Economy: evolving guest expectations for quality, innovative product offerings
- ▶ Emphasis on entertainment, food, spas and recreational activities
- ▶ Total resort experience created by variety of quality attractions
- ▶ Golf is critical for inducing increased visitation & economic success
- ▶ Full-service spas are integral component

THE TOTAL RESORT EXPERIENCE



GAMING PROPERTY BUSINESS MODELS

Convenience Casinos

I.E. CATEGORY 1 & 2

- Customers motivated by casino
- Vast majority of revenue derived from casino
- Majority of patron time spent in casino
- Customers generally travel 60 minutes or less

Resort with Casino

I.E. CATEGORY 3

- Customers motivated by array of amenities
- Revenue split between casino and other amenities
- Majority of time spent on non-casino amenities
- Customers willing to travel substantially greater distances

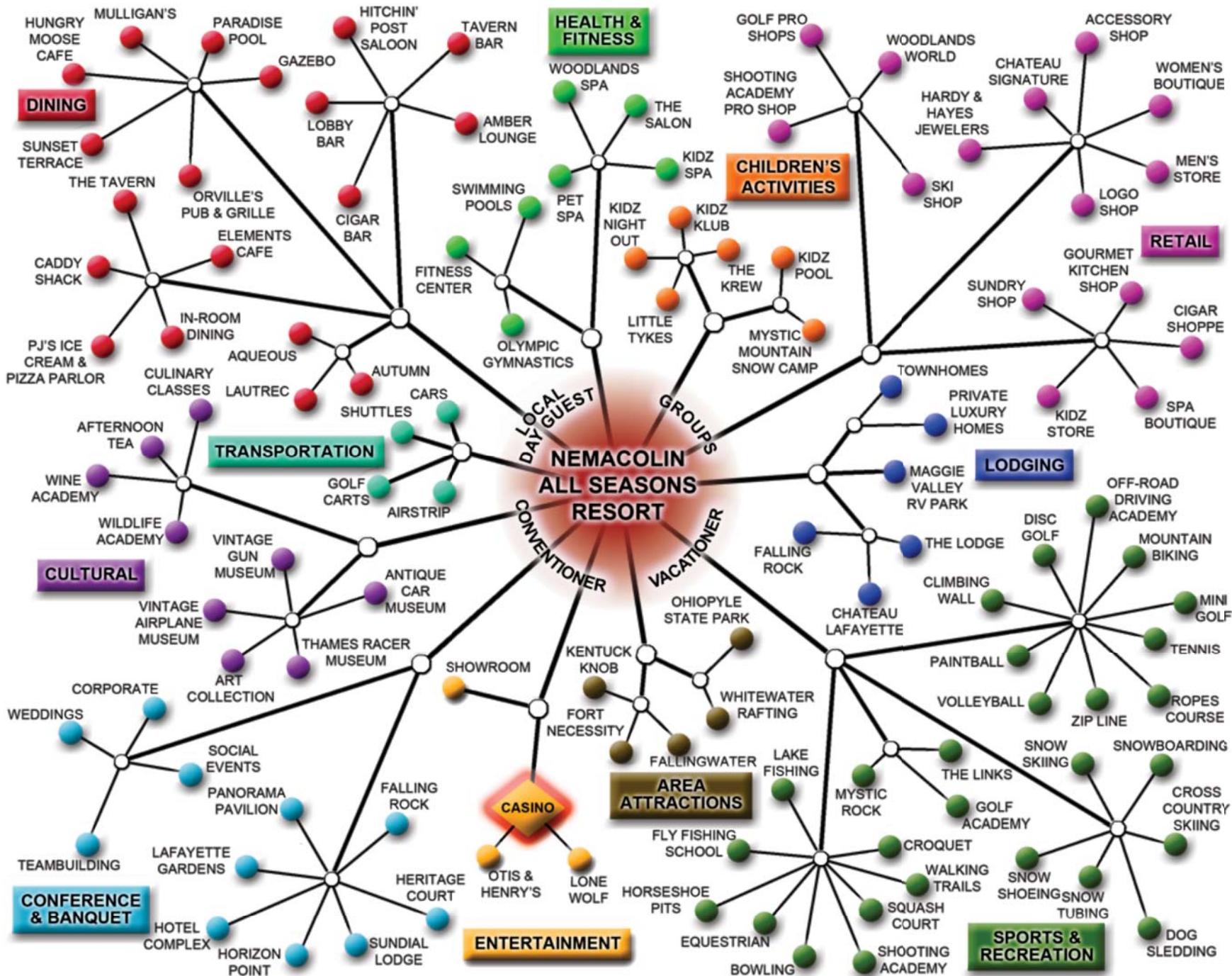


EXCEEDING EXPECTATIONS

- ▶ Nemacolin is only property able to provide true large resort tourism experience that customers are increasingly coming to demand
 - ▶ Large array of year-round amenities
 - ▶ Substantial revenue derived from non-gaming amenities
 - ▶ Increase in room nights and tourism visits
 - ▶ Size and inclusiveness of experience

THE TOTAL RESORT EXPERIENCE







NEMACOLIN CUSTOMERS

- ▶ Drawn from broader geographic area than convenience casinos
- ▶ Different demographic than typical casino gamers
 - ▶ Higher income
 - ▶ Longer length of stay

THE TOTAL RESORT EXPERIENCE





COMPARATIVE ANALYSIS

- ▶ Amenities
- ▶ Attracting resort tourism
- ▶ Resort size & scope
- ▶ Established, award-winning destination resort
- ▶ Market saturation
- ▶ Resort v. convenience casinos

THE TOTAL RESORT EXPERIENCE





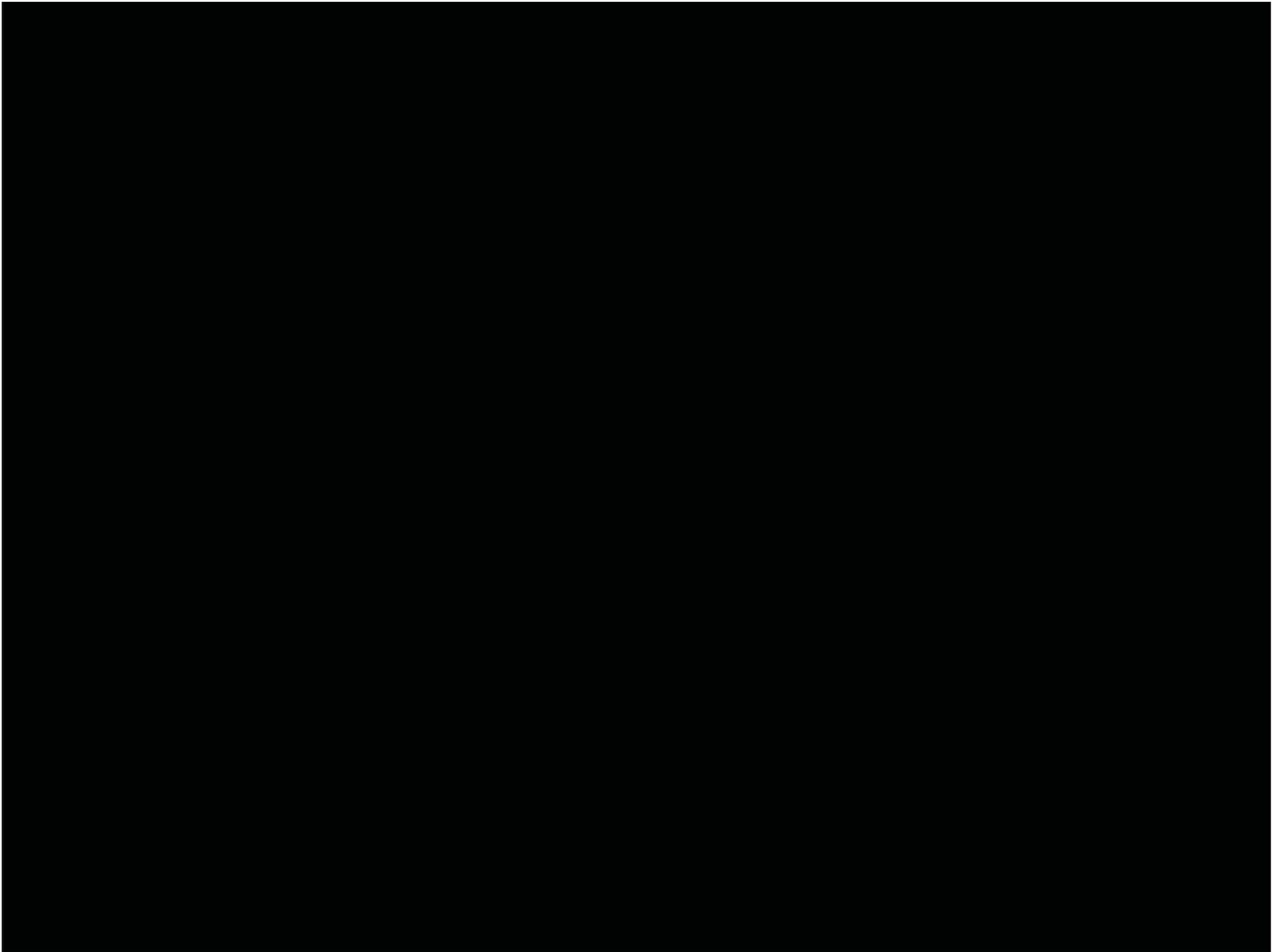
NEMACOLIN - A UNIQUE PROPOSAL

- ▶ Granting a license to Nemacolin would best fulfill the intent of increasing tourism
 - ✓ Existing Category 3 license in eastern PA
 - ✓ Geographic balance with western PA
- ▶ Nemacolin is the only applicant that:
 - ✓ Is consistently ranked among top 50 U.S. resorts
 - ✓ Is the top-ranked resort in Pennsylvania
 - ✓ Does not rely on gaming as the primary economic generator

THE TOTAL RESORT EXPERIENCE







REVENUE GENERATION

ANTHONY MUMPHREY, PH.D.

PRESIDENT & CEO
TMG CONSULTING



NEMACOLIN



NEMACOLIN



ANTHONY MUMPHREY, PH.D.

PRESIDENT
TMG CONSULTING

- ❖ Professor of Urban & Regional Planning, University of New Orleans (Retired)
- ❖ Executive Assistant for Planning & Development, City of New Orleans (1978-1984)
- ❖ U.S. Naval Reserve, Engineer (1964-1967)
- ❖ B.S., M.S., Civil Engineering, Tulane University
- ❖ M.A., Ph.D., Regional Science, University of Pennsylvania
- ❖ Provided testimony as an expert to the Gaming Board in 2006

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



TMG CONSULTING

- ▶ Established in 1984
- ▶ Urban planning consulting
- ▶ Financial consulting
- ▶ Feasibility studies
- ▶ Economic impact studies
- ▶ Gaming market assessments in 12 states and several countries

SOURCE: PGCB, 2009 DATA

THE TOTAL RESORT EXPERIENCE



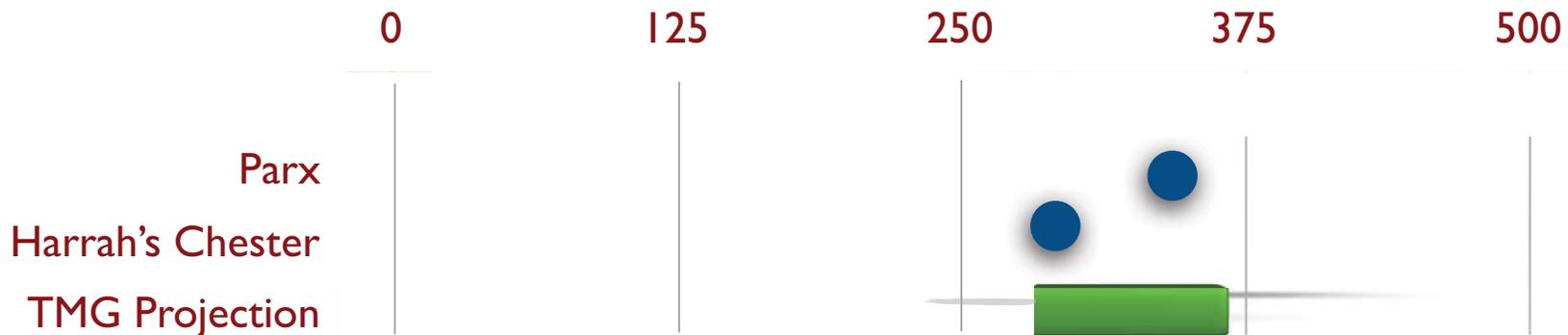


NEMACOLIN



TMG CONSULTING

- ▶ History of accuracy in projections
 - ▶ TMG projections for Philadelphia-area casino win/position (made in 2005)



SOURCE: PGCB, 2009 DATA

THE TOTAL RESORT EXPERIENCE





NEMACOLIN



ENGAGEMENT

- ▶ Gaming Market Assessment for Lady Luck Casino
- ▶ Socioeconomic Impact Assessment for Lady Luck Casino
- ▶ Comparative Analysis
- ▶ Tri-State and Western Maryland Mini-Market Assessment

THE TOTAL RESORT EXPERIENCE



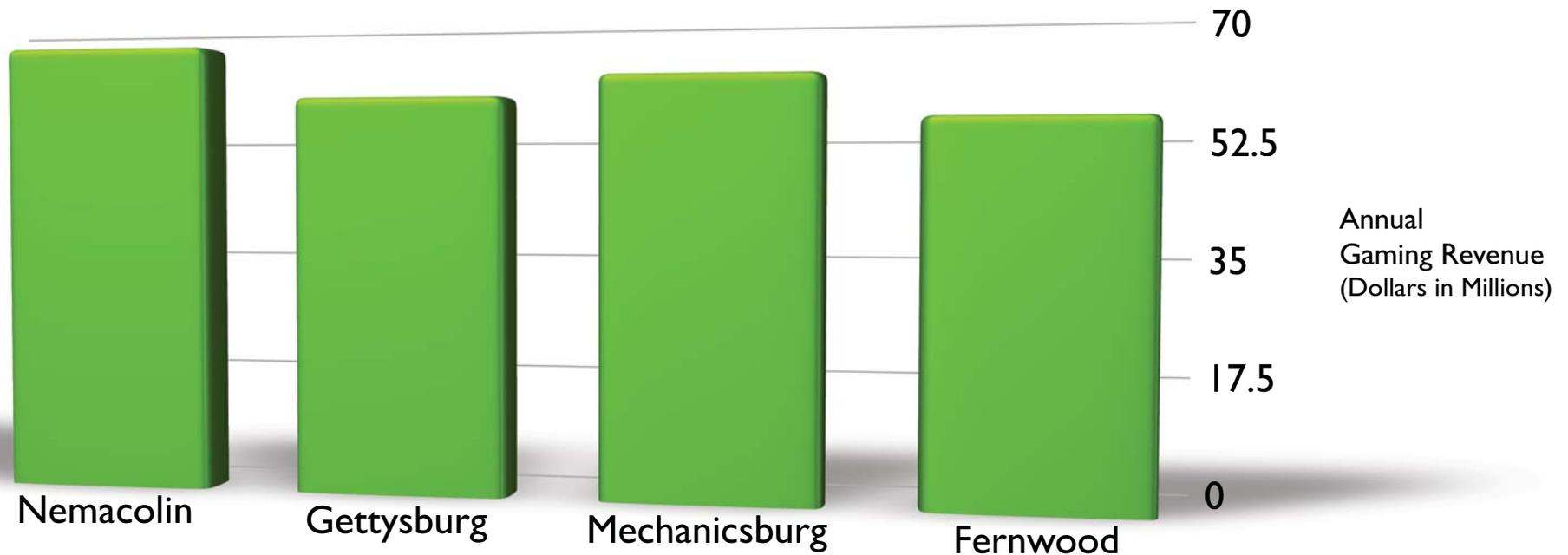
MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



NEMACOLIN WILL PRODUCE
\$4.6 MILLION
MORE GAMING REVENUE
THAN ANY OTHER APPLICANT



* Projections for Fernwood and Mechanicsburg represent the median in a range that could vary by as much as +/- 10%.



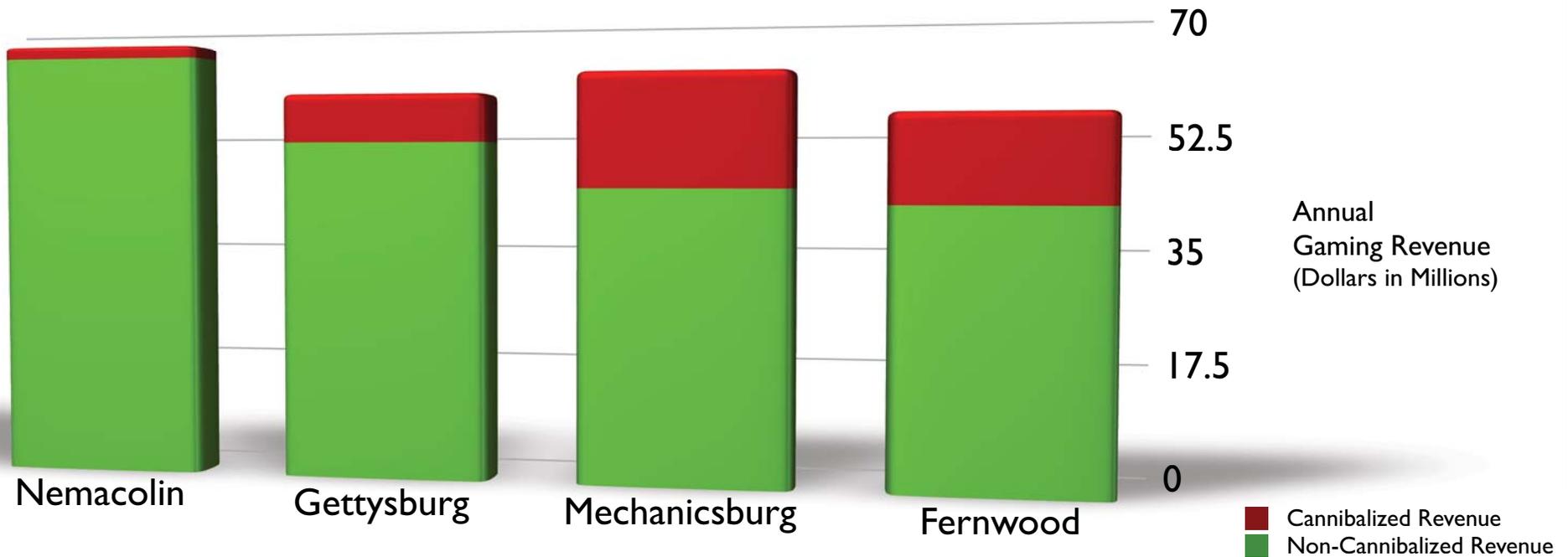
MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



NEMACOLIN WILL
CANNIBALIZE LESS REVENUE
THAN ANY OTHER APPLICANT



* Projections for Fernwood and Mechanicsburg represent the median in a range that could vary by as much as +/- 10%.



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.

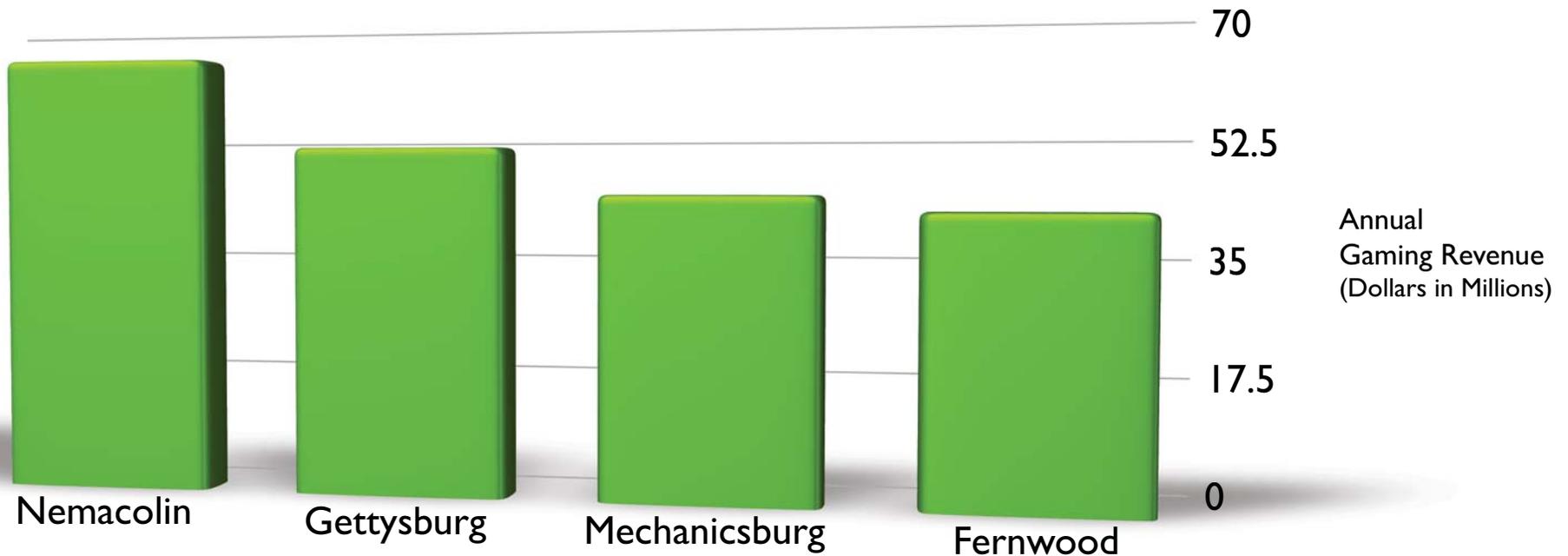


NEMACOLIN

NEMACOLIN WILL PRODUCE

\$13.3 MILLION
MORE NEW GAMING REVENUE

THAN ANY OTHER APPLICANT



* Projections for Fernwood and Mechanicsburg represent the median in a range that could vary by as much as +/- 10%.



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

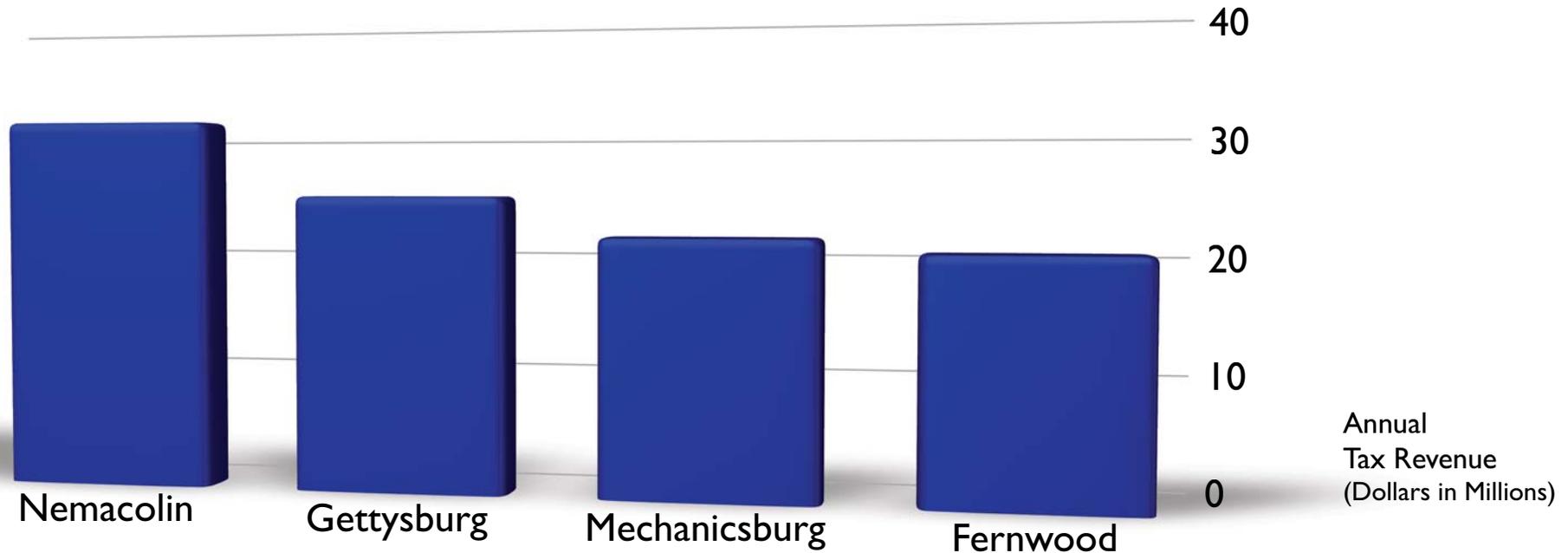


NEMACOLIN WILL PRODUCE

\$6.4 MILLION

MORE NEW GAMING TAX REVENUE

THAN ANY OTHER APPLICANT



* Projections for Fernwood and Mechanicsburg represent the median in a range that could vary by as much as +/- 10%.





NEMACOLIN



DUAL-MARKET METHODOLOGY

- ▶ Purpose of Resort Casino
 - ▶ To attract customers because of amenities associated with resort
- ▶ Customers Include:
 - ▶ Resort and tourism market
 - ▶ Regional market customers attracted by amenity density

THE TOTAL RESORT EXPERIENCE





NEMACOLIN



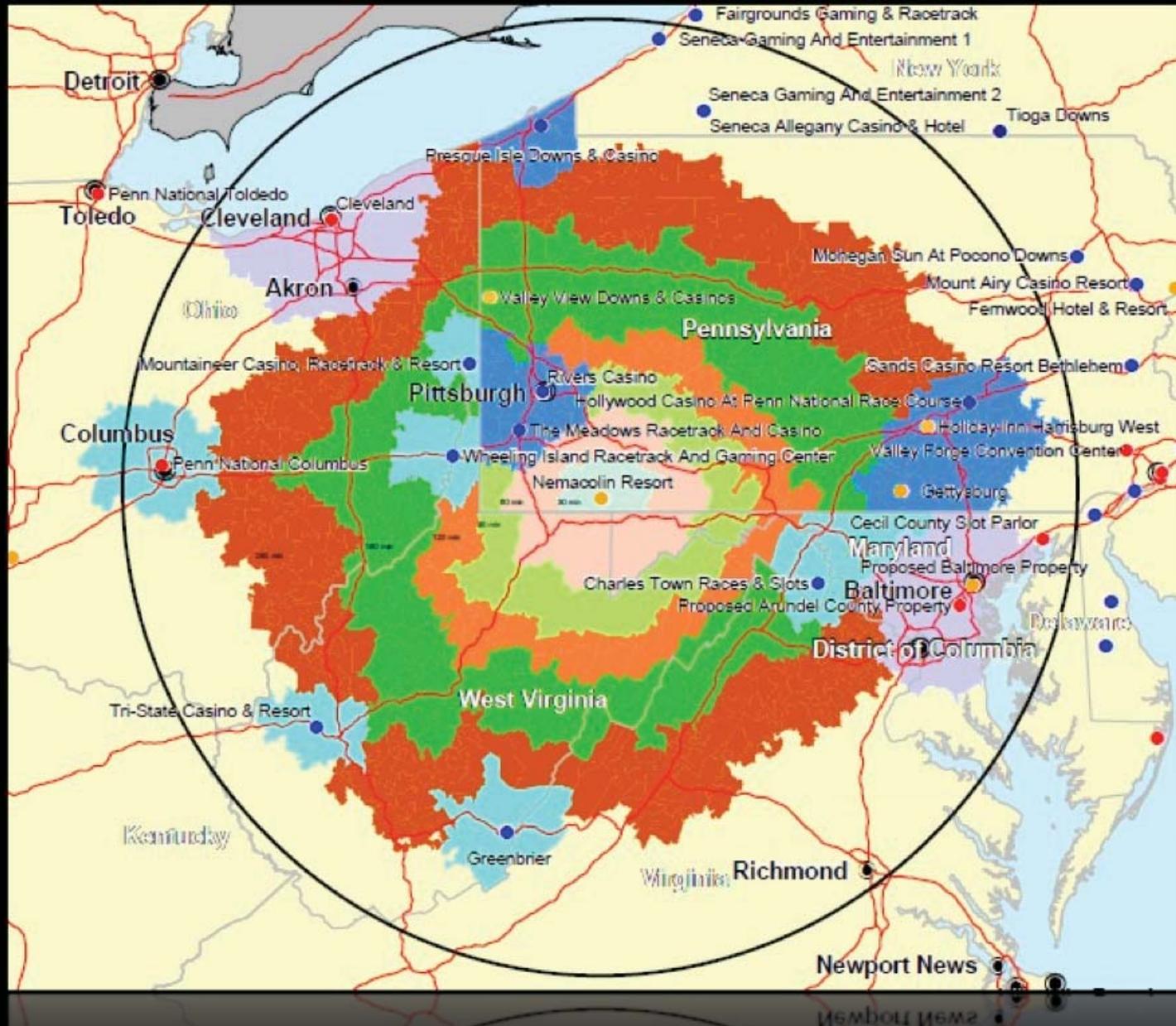
DUAL-MARKET METHODOLOGY

- ▶ Regional Gaming Market
 - ▶ Gravity model
 - ▶ Gold standard of market analysis models
 - ▶ Standard gaming industry techniques for gaming market assessment
 - ▶ Incorporates casino location, accessibility, amenities, customer demographics & competition
 - ▶ Model parameters based on published data, research and/or on-the-ground objective assessments

THE TOTAL RESORT EXPERIENCE



REGIONAL GAMING MARKET



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



DUAL-MARKET METHODOLOGY

- ▶ Resort & Tourism Market
 - ▶ Hotel guests
 - ▶ Player development guests
 - ▶ Local tourism market
 - ▶ Drive by traffic

THE TOTAL RESORT EXPERIENCE





NEMACOLIN



CANNIBALIZATION OF PA REVENUES

- ▶ Projection of competing casino revenues before and after Nemaacolin and other applicant locations are in operation
- ▶ Analysis of revenue from:
 - ▶ Regional market customers (gravity model)
 - ▶ Resort & tourism market

THE TOTAL RESORT EXPERIENCE

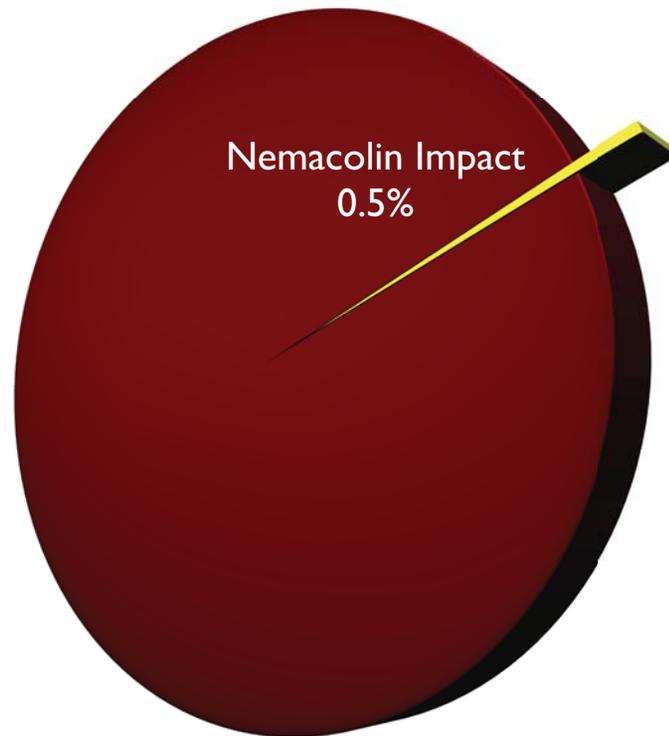


MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

PROJECTED REVENUE IMPACT ON SOUTHWESTERN PA CASINOS



THE TOTAL RESORT EXPERIENCE

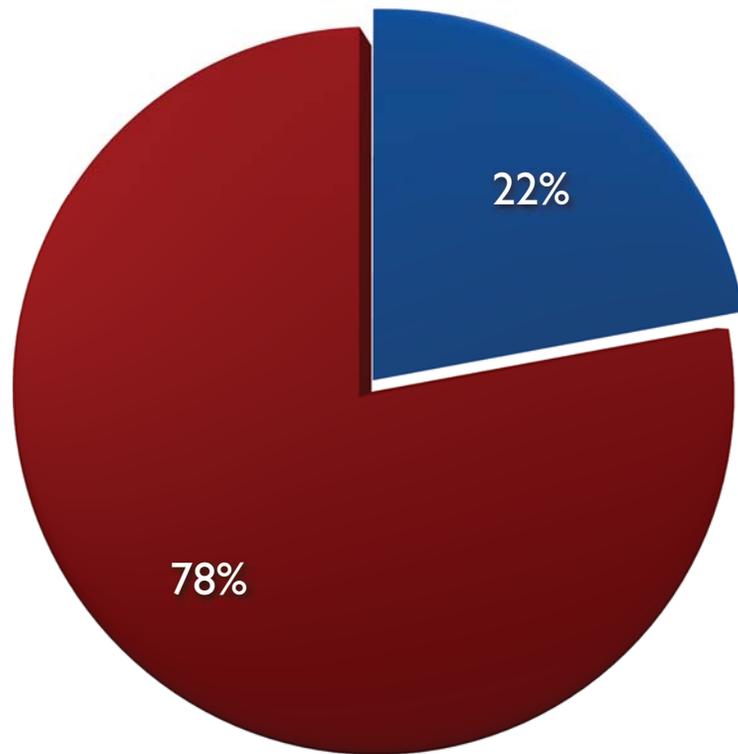


MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

SOURCES OF GAMING CUSTOMERS FOR NEMACOLIN CASINO



- Gravity Model
- Resort & Tourism

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



NEMACOLIN EMPLOYMENT IMPACT

ALL FIGURES EXPRESSED IN FULL-TIME EQUIVALENT POSITIONS

Casino	275
Resort - Incremental	164
Resort - Existing	900
Indirect	787
TOTAL FTEs	2,126

THE TOTAL RESORT EXPERIENCE



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN



NEMACOLIN ECONOMIC IMPACT

SPENDING	\$175 million
TOTAL TAXES	\$41 million
INCOME	\$84 million

THE TOTAL RESORT EXPERIENCE





NEMACOLIN
WOODLANDS RESORT



MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

NEMACOLIN - A UNIQUE PROPOSAL

- ▶ Superior location
- ▶ More visitors
- ▶ More permanent jobs
- ▶ More taxes

THE TOTAL RESORT EXPERIENCE



LOCAL & LEGISLATIVE SUPPORT

JEFF NOBERS

VICE PRESIDENT
NEMACOLIN WOODLANDS RESORT



NEMACOLIN



COMMUNITY INVOLVEMENT

- ▶ \$1 million Hardy Family contribution to the 2010 Uniontown Hospital Capital Campaign.
- ▶ Over \$1 million in donations by Nemacolin since 2004.
- ▶ \$250,000 to Fayette EMS over past 5 years
- ▶ \$750,000 contributed to the East End Community Center in Uniontown
- ▶ Approximately one-half million dollars in other cash and in-kind donations over past several years to local organizations
- ▶ Downtown Uniontown revitalization efforts

THE TOTAL RESORT EXPERIENCE



OVERWHELMING LOCAL SUPPORT

- ✓ Support of public
 - ▶ Over 1,100 signatures of support
- ✓ Support of local elected officials
 - ▶ County Commissioners Zapotosky & Vicites
 - ▶ Wharton Township Supervisors
 - ▶ Brownsville Mayor Ward
- ✓ Support of prominent local organizations
 - ▶ Fayette County Chamber of Commerce
 - ▶ Laurel Highlands Visitors Bureau
 - ▶ Fay-Penn Economic Development Council

THE TOTAL RESORT EXPERIENCE



LEGISLATIVE SUPPORT

✓ Senators and House of Representatives Southwest Caucus

- ▶ Representative Joe Petrarka
- ▶ Senator Richard Kasunic
- ▶ Senator Kim Ward
- ▶ Representative Tim Mahoney
- ▶ Representative Bryan Barbin
- ▶ Representative Frank Burns
- ▶ Representative Robert Matzie
- ▶ Representative Jaret Gibbons
- ▶ Representative Peter J. Daley, II
- ▶ Representative H. William DeWeese
- ▶ Representative Gary Haluska
- ▶ Representative Ted Harhai
- ▶ Representative Deberah Kula
- ▶ Representative David Levdansky
- ▶ Representative John Pallone

THE TOTAL RESORT EXPERIENCE



LOCAL SUPPORT

HERALD-Standard

Mountain Casino Would Boost Local Governments

Fayette Should Get Resort Casino



HERALD-Standard

Uniontown, PA
September 17, 2010

EDITORIAL

Very pe *Concerns about casino*

The public hearing last week on the proposal by Nemacolin Woodlands Resort & Spa in Farmington to obtain a resort casino license left us both inspired and incredulous. First and foremost, it was great to see so many Fayette residents, business leaders and politicians come out to support the push for the license, which will have a significant positive impact on the local economy and bring jobs to the area.

There was plenty of local support from the packed house at the Wharton Township Municipal Building. For once our local leaders appeared to be united in doing something constructive for the county.

On the other hand, however, there were several Washington County interests who - ridiculously - urged the Pennsylvania Gaming Control Board to reject the Nemacolin proposal. Chief among the complainants was the Meadows Racetrack and Casino in North Strabane Township, Washington County, joined by several representatives of hotels near the Meadows, the Washington County Promotion Agency and, most inexplicably, an official from the Washington Wild Things, a Frontier League baseball team.

We can only hope the Gaming Control Board, which will award the license to either Nemacolin or one of three other applicants from across the state, found the Washington County contingent as patently absurd as we did. This was clearly an exercise in self-interest.

Frankly, to have the gall to come and openly campaign for real economic benefits and job opportunities that we desperately need in our neighborhoods to be shipped to the eastern part of the state is disgusting. The Washington contingent should be ashamed of themselves.

It all comes down to the fact that the people who run the Meadows and the hotels that rely on it don't want another game in town. The complaint that a casino at Nemacolin Woodlands "would negatively impact slot play at the Meadows," as Kim Hankins of the Meadows Standardbred Owners Association testified, is based on proximity.

They argue that having a Nemacolin resort casino 56.7 miles away, or a 1-hour-and-11-minute drive, is just too close. That would be all well and good if The Rivers Casino in Pittsburgh wasn't 23.7 miles away from the Meadows, a quick 38 minutes on the highway. It's enough to make us wonder if we are the only ones with access to Google Maps.

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these already existing casinos, but the ones where applicants would put their resort casinos 33 minutes, 36 minutes or 1 hour and 18 minutes from already existing casinos. Nemacolin is substantially farther in distance from the Meadows than the Mechanicsburg or Fernwood Resort proposals would be to their closest casino and negligibly closer than the Gettysburg proposal.

Truly, the Washington County contingent's argument would
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finally award the resort license. We can only hope that the takeaway from last week's public hearing was Fayette County's compelling case for Nemacolin and the significant economic benefits it would bring.

And that case far outweighs the petty complaints of our neighbors in Washington County.

“real economic benefits and job opportunities that we desperately need in our neighborhoods”

“a significant positive impact on the local economy and bring jobs to the area.”

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

MORE TO EXPERIENCE, EVERYTHING TO GAIN

- ▶ Tremendous synergy between resort and casino
- ▶ More new Pennsylvania revenue than any other applicant
- ▶ Greatest positive impact on tourism
- ▶ Overwhelming community support
- ▶ Pennsylvania's most well-established, comprehensive resort destination

THE TOTAL RESORT EXPERIENCE









LEGISLATIVE INTENT

“The authorization of limited gaming is intended to enhance the further development of the tourism market throughout this Commonwealth, including, but not limited to, year-round recreational and tourism locations in this Commonwealth.”

4 Pa. C.S. s. 1102(6)



SIX MATURE GAMING MARKETS

	Positions / 10,000 Adults
Quad Cities, Iowa	90
Council Bluffs / Omaha, Nebraska	81
New Orleans, Louisiana	78
St. Louis, Missouri	66
Kansas City, Missouri	63
Western PA	41

PENNSYLVANIA GAMING MARKET



PROXIMITY TO NEAREST PA CASINO

FROM NEMACOLIN WOODLANDS

FACILITY	DRIVING DISTANCE	TRAVEL TIME
MEADOWS CASINO	56.7 miles	1 hour, 11 min

FROM EISENHOWER INN, GETTYSBURG

HOLLYWOOD CASINO	65.6 miles	1 hour, 18 min
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FROM HOLIDAY INN, MECHANICSBURG

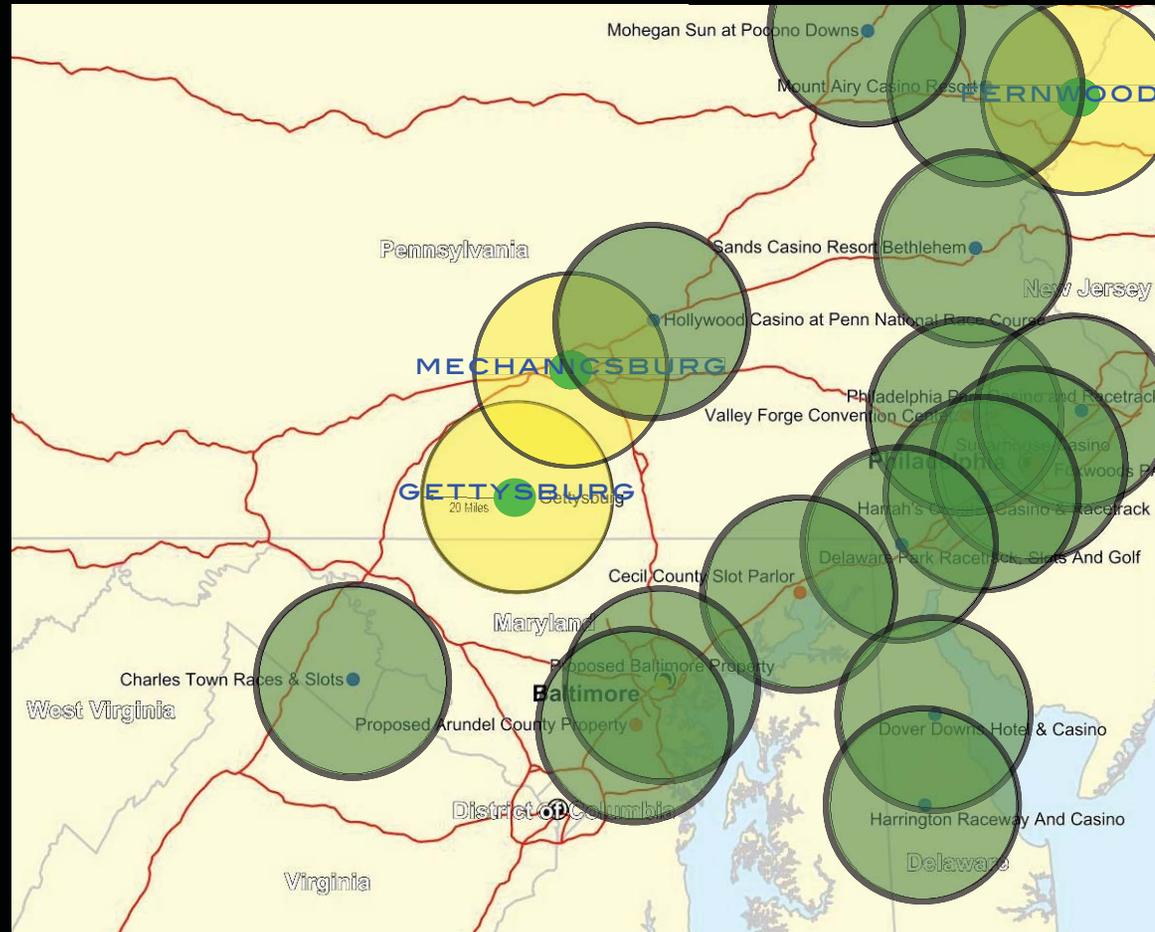
HOLLYWOOD CASINO	25.5 miles	33 minutes
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FROM FERNWOOD RESORT

MT.AIRY CASINO RESORT	22.3 miles	36 minutes
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*SOURCE: GOOGLE MAPS

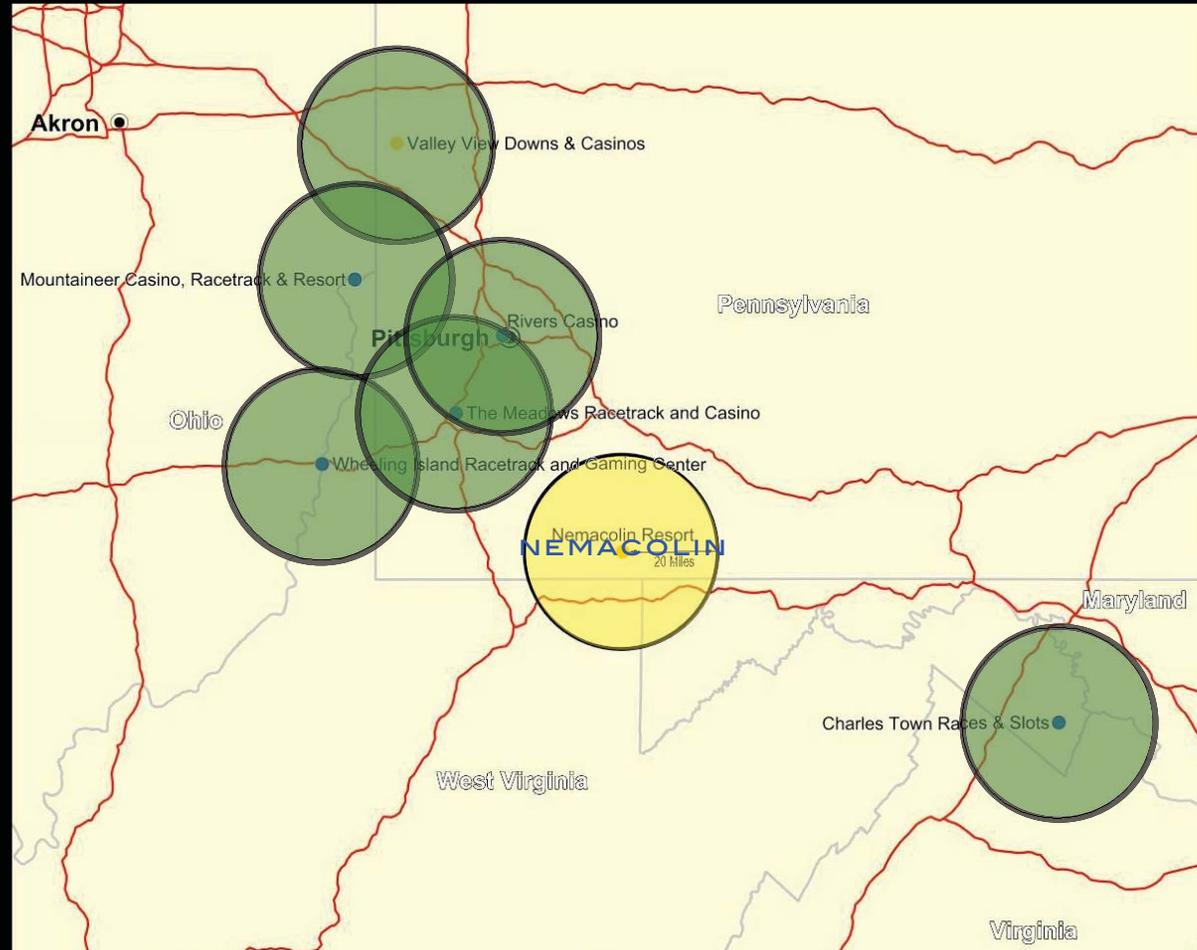
**SIGNIFICANT DISTANCE
TO NEAREST PA CASINO**



MARKET COMPETITION

*RADIUS = 20 MI

GAMING MARKET - EASTERN PENNSYLVANIA



MARKET COMPETITION

*RADIUS = 20 MI

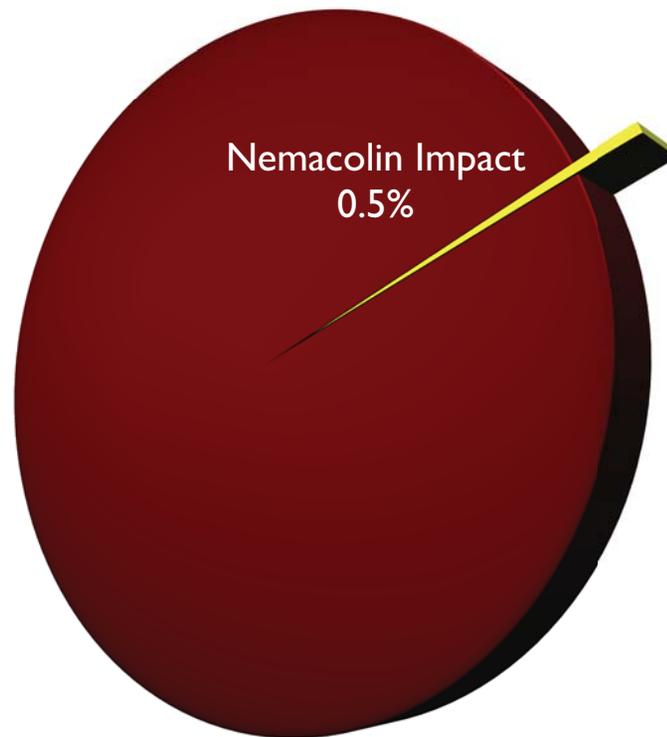
GAMING MARKET - WESTERN PENNSYLVANIA

MORE TO EXPERIENCE.
EVERYTHING TO GAIN.



NEMACOLIN

PROJECTED REVENUE IMPACT ON SOUTHWESTERN PA CASINOS



THE TOTAL RESORT EXPERIENCE



IN THE SUPREME COURT OF PENNSYLVANIA
MIDDLE DISTRICT
No. 106 MM 2009

GREENWOOD GAMING AND ENTERTAINMENT, INC.,

Petitioner,

v.

PENNSYLVANIA

VALLEY FORGE CO

RESPONDENT PENNS

On Appeal by Petition for Re
Control Board Dated May 8, 2009
License, Docket No. 19421

“[T]he General Assembly’s goals in creating the Category 3 slot machine licenses were not purely revenue driven. Rather, the Act clearly indicates that Category 3 licenses were created in an effort to increase the flow of tourism into the Commonwealth.”

R. Douglas Sherman (PA ID No. 50092)
Stephen S. Cook (PA ID No. 77807)
David C. Hittinger Jr. (PA ID No. 202495)
Pennsylvania Gaming Control Board
Office of Chief Counsel
303 Walnut Street, Strawberry Square
Verizon Tower, 5th Floor
Harrisburg, PA 17101-1825
(717) 346-8300

Attorneys for Respondent
The Pennsylvania Gaming Control Board

DATED: October 5, 2009

Received in Supreme Court

OCT 05 2009

Middle

GREENWOOD GAMING V. PA. GAMING CONTROL BD,
NO. 106 MM 2009 (S.CT. PA) P. 14.

IN THE SUPREME COURT OF PENNSYLVANIA
MIDDLE DISTRICT
No. 106 MM 2009

GREENWOOD GAMING AND ENTERTAINMENT, INC.,

Petitioner,

v.

PENNSYLVANIA

VALLEY FORGE CO

RESPONDENT PENNS

On Appeal by Petition for Re
Control Board Dated May 8,

License, Docket No. 19421

“[I]t cannot be denied that Category 3 slot machine licenses were designed to increase the flow of tourism at well-established resort hotels in the Commonwealth and, in turn, boost said businesses and related ancillary services. As a result, **any argument attacking their financial impact on nearby casinos is unpersuasive.**”

R. Douglas Sherman (PA ID No. 50092)
Stephen S. Cook (PA ID No. 77807)
David C. Hittinger Jr. (PA ID No. 202495)
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*EMPHASIS ADDED

GREENWOOD GAMING V. PA. GAMING CONTROL BD,
NO. 106 MM 2009 (S.CT. PA) P. 15.



NEMACOLIN
WOODLANDS RESORT



LEGISLATIVE INTENT

“The authorization of limited gaming is intended to enhance the further development of the tourism market throughout this Commonwealth, including, but not limited to, year-round recreational and tourism locations in this Commonwealth.”

4 Pa. C.S. s. 1102(6)

IN THE SUPREME COURT OF PENNSYLVANIA
MIDDLE DISTRICT
No. 106 MM 2009

GREENWOOD GAMING AND ENTERTAINMENT, INC.,

Petitioner,

v.

PENNSYLVANIA GAMING CONTROL BOARD

VALLEY FORGE CO

RESPONDENT PENNS

“[R]equiring the applicant to be the owner of a resort hotel is to ensure that the facilities awarded such licenses are, first and foremost, concerned with running the resort; **and the casino amenity should not become the ‘tail wagging the dog’.**”

On Appeal by Petition for Review from the Order of the Pennsylvania Gaming Control Board Dated May 8, 2009, on Application for Category 3 Slot Machine License, Docket No. 19421

R. Douglas Sherman (PA ID No. 50092)
Stephen S. Cook (PA ID No. 77807)
David C. Hittinger Jr. (PA ID No. 202495)
Pennsylvania Gaming Control Board
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Attorneys for Respondent
The Pennsylvania Gaming Control Board

DATED: October 5, 2009

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Middle

*EMPHASIS ADDED

GREENWOOD GAMING V. PA. GAMING CONTROL BD,
NO. 106 MM 2009 (S.CT. PA) P. 5.

SENATOR RICHARD KASUNIC

PUBLIC INPUT HEARING

SEPTEMBER 8, 2010

“Unlike the other applicants, Nemaquin Woodlands Resort is a world-class resort which would add a resort-style casino as an additional amenity, not a casino around which a resort would be built.”



NEMACOLIN
WOODLANDS RESORT

