

"The Prefect should no longer ask questions concerning the enactment of the Annville municipal council's decision...he does not have to judge, contrary to what has been written...he should simply have a public enquiry procedure started..." EUROPEANNEWS4

Saarland tightens its grip



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Applying some Latin American fun to the Spanish sector



With major operations in Spain and in South America, Cirsa has a firm grip on determining what Latin Americans want in terms of casino entertainment. But unfortunately, applying what is learnt in one market to another is often restricted by regulation. Cirsa Casinos' Julia Perez Navarro explained how to **Hugh Sorrell**.



For an operator as experienced as Cirsa, with casinos all over South America, it must be frustrating that the lessons it has learnt on the other side of the world cannot be applied in its home country.

Of Spain's 30 odd casinos, Cirsa runs four: in Marbella, the Monte Picaio and Gandia casinos in Valencia and La Toja in Vigo.

Julia Navarro, the new marketing manager for Cirsa Casinos, painted a picture of the domestic portfolio revealing that the licence in Marbella is located in the Hotel Andalucía Plaza, just a few minutes from Puerto Banús, which she describes as 'one of the best marinas in the Mediterranean' and a meeting place for the world's jet set. It has over 100 slot machines and 30 gaming tables. Cirsa's venue in Vigo, meanwhile, is located on the island of La Toja, a heavenly enclave in the area of Galicia known as Rias Baixas and has 27 slot machines and 12 gaming tables. It also offers a wide range of facilities including a renowned spa, three luxury hotels and a golf course. In addition, Cirsa operates the Gandia Palace which is housed in a leading shopping and entertainment complex. The casino here has 60 slot machines and 10 gaming tables.

The most recent of Spanish licences for Cirsa has been developed in Gandia, piggy-backing off the Monte Picaio licence. Located in Puzol, only a few kilometers out of Valencia in a complex of national tourist interest, it has over 60 slot machines and up to 20 gaming tables.

"With tourists in Gandia for six months of the year, we

thought it would be interesting to open another similar casino," Navarro. "Spain has a very limited number of licences, so if you get one, you have to open."

The 17 jurisdictions in Spain do not make life easy for machine manufacturers and operators, and of course Cirsa is both. The national government has set its mind generally against casinos, too, which does not alleviate the pressure from having to meet the requirements of every region.

But gambling is big business in Spain. Bingo is everywhere and AWP machines are to be found in almost every bar and operators in these sectors have a powerful voice. They would rather that casinos be seen as places for the rich elite rather than the masses - it's better for their businesses that way.

"I don't think people are very used to the idea of casino table games," said Navarro. "They are far more used to playing machines in bars. In serious, VIP casinos you play table games - of all our venues, Marbella is very much that sort of a location."

"But we would like to open up casinos to the rest of the people. We did a market study and we found that people are afraid to come into a casino in Spain. They think they are full of professional players. The Barcelona casino, when it moved, is the only one to have managed to open things up. And that didn't have a dramatic impact on the street operations, either."

Operators like Cirsa would prefer that there are as few barriers as possible, such as feelings of intimidation, to persuading people to come in for a good time. There are also legal barriers. In Spanish casinos guests have to show ID to play table games: in 2006,

they will have to show ID to play machines too.

For all this, Cirsa is trying to encourage a wide cross-section of the public to visit casinos.

"We're putting on training tables so that people can learn the games and we're installing player tracking. We're also doing more parties for people."

Entertainment and shows may in the future also be more than just a man playing a piano in the bar.

"Sometimes," said Navarro, "I think it would be good to be able to do as much in Spain as we do in South America."

Cirsa has casinos in six countries in Latin America: Panama, the Dominican Republic, Argentina, Surinam, Venezuela and Peru. Each country has at least one traditional casino mixing both tables and slots. Panama has another 37 electronic casinos, Venezuela one and Peru three.

"We've given our best traditional casinos on the continent one brand, Majestic," said Navarro. "We've tried where possible to associate them with four- and five-star hotels and they have a lot more slot machines, including video reel

games, than their counterparts in Spain. We also have music and shows. They are much more an experience like you would get in Las Vegas, but much smaller of course. In fact, the only one of our traditional venues that isn't a Majestic brand is the one in Argentina - and that's the biggest one."

After years of their wealthy populace going to America to enjoy casino gaming, governments in the region finally saw sense. The environment for operators is now seemingly quite stable.

"The stability is allowing us to build the Majestic brand," said Navarro. "We have now signed an agreement with the World Series of Poker, such that local finals will now be held in Majestic casinos everywhere with the winners going forward to the main tournament. We are also working with the top model agency Elite to find the best Latin model in the world in a competition that will last a whole week."

"We want to position the brand at the very top. We've also applied for licences in Chile in the market that is opening up there. We've gone for seven, three Majestic and four electronics and we expect to get at least some."

She continued: "We try hard to learn from each market we're in and to apply what lessons we can. We've taken the excellent customer service that you get in Spanish venues and tried to bring them to South America in the Majestic brand. We would like to bring a little of the fun and freedom back to the Spanish locations, too."

Above: Cirsa's most recent Spanish development in Gandia. Left: Julia Navarro, the new marketing manager for Cirsa Casinos



Fadesa runs into problems over casino golf course



Fadesa, the company behind the huge project revolving around Casino de Aranjuez, is in trouble with the local authorities after rushing through the completion of the resort's golf course without receiving proper consent from the Environment Ministry.

It has admitted that it oversaw the work in order to meet the casino opening deadlines set by the Finance Ministry. The Environment Ministry could now fine Fadesa between 60,000 and 240,000 euros, less than 0.5 per cent of the 50m euros it has invested in the project.

Finance minister Engracia Hidalgo opened the casino and the hotel on May 24 this year. However, the golf course, now finished, is still not working.

It seems that whilst one part of the regional executives, the Finance Ministry, was leading the drive to open the project, another, the Environment Ministry, was unable to comply with its own laws.

The regulations require that before a golf course is developed, Environment Ministry technicians must carry out a study - termed an impact declaration - to assess the effect of the facility on the environment. It examines whether the water consumption will be compatible with the area and the animal and plant species, among other issues.

Fadesa has admitted that it breached the Community environmental regulations. "It was a business decision. If we complied with the Environment Ministry we couldn't comply with the Finance Ministry, which instructed us to open the Casino before the summer," explained a company representative.

The Aranjuez casino, owned and operated by the Comar Group, is the second in the region after the Casino Gran Madrid at Torreldones and was the 'big project' that the then President of the Community, Alberto Ruiz-Gallardón, set in motion 'to assist the socio-economic development of the south of the region.'

The project included, besides the casino, a luxury hotel, a hospital, a golf course and 3,000 dwellings in the La Montaña PAU, in a town of 42,000 inhabitants.

Work on this complex began in the autumn of 2002. Less than three years later, on May 24 this year, the workers gave way to the politicians who inaugurated the leisure centre and the new district which will house 10,000 people. The golf course, finished but still not working, and the hospital - construction of which hasn't even started - will have to wait.

The whole district has been built around the casino, the golf course and the four-star hotel, the project heads have disclosed. In total, 2,000 jobs have been created.

Ever since the tender conditions for the award of the Urban Action Plan were made public, it was clear it would be a profitable business. The estimated profit even took into account the expected income from the sale of the dwellings: the lucky company would earn 90m euros.

At least 16 companies - both national and foreign - responded to the tender invitation.