

WAYNE H. SCHAFFEL
President
Public Relations Network

Atlantic City Marketing Program
July 2010 – December 2011

Copyright March 26, 2010

4 Martine Avenue Suite 417 White Plains, NY 10606 917-903-0309

Situational Analysis

For the first two months of 2010, total gaming revenue in Atlantic City declined by approximately \$76 million vs 2009. Despite the fact that horrendous weather conditions and a brutal economy are two enormous contributors to this poor showing, the onset of table game operations in Pennsylvania, the 2011 opening of a casino in Philadelphia as well as increasing competition from Delaware and possibly New York will more than offset any future improvements in the economy and/or weather.

When it comes to reversing the current gaming recession, we believe the solution lies with that utilized by the government in an effort to help turn the economy around --- namely, spend your way out of it.

Atlantic City is plagued by competition that has effectively eroded its customer base and is shrinking the geographic area from which these fewer customers/players/guests are coming from. Consequently, the city finds itself in the unenviable position of needing to increase its appeal to exactly the same customer who is most likely to be concerned about broader issues such as urban blight, housing, political infighting, tax benefits for the Revel resort, smoking ban and other situations that are difficult to resolve, especially in the time frame that matters --- the next 18-24 months.

The reality is that this audience will effectively need economic incentives to keep coming back to Atlantic City in the face of increasing competition. However, since we also believe that the gaming downturn is being exacerbated by each hotel/casino lowering room rates and increasing the number of comps, this will be a challenge in terms of execution.

Ultimately, the long-term solution for Atlantic City lies in its ability to create the necessary atmosphere, develop several must-see attractions, implement numerous broad-scale special events and dramatically expand airline traffic to overcome the devastating effects of relentless competition.

To address the short-term elements, we suggest creating an 18-month program that will accomplish the following objectives:

- 1) Increase visitor volume and room occupancy, especially during low season
- 2) Increase unique visitor volume by mining strategic outlying cities
- 3) Re-establish Atlantic City as a fun, vibrant city where winning is an everyday event
- 4) Take the Atlantic City message to all cities currently served by Airlines flying into AC International Airport, including Ft. Lauderdale, Detroit and Toronto
- 5) Increase awareness of Atlantic City locally, regionally, and nationally

Creative Theming

When it comes to creating a theme, we can always start from scratch, reinvent the wheel or go with something tried and proven. I believe that for the short term, given that time is of the essence, we should utilize a theme that has worked for Atlantic City for almost 100 years --- Monopoly.

For 2011, we suggest the following theme be applied to all advertising and related materials:

Atlantic City --- Your Monopoly on Fun, Excitement and Winning

In order to drive home the point, we suggest creating the character of "Mr. Moneybags" to serve as a Brand Ambassador for the year. To create interest and excitement, the ACCVA should hold open auditions throughout the Summer and then hold a talent contest with the finalists after Labor Day to determine the winner.

To complement Mr. Moneybags, and secure the involvement of each of the casino/hotels in Atlantic City, we suggest that each property hold a talent/beauty contest to find 11 women (the ACCVA should hold a similar event to find a 12th candidate to represent the city) who can be called, "The Golddiggers."

The purpose of Mr. Moneybags and the Golddiggers is to serve as a visual representation of the city, perform at charity/fundraising events, represent Atlantic City on media tours, interviews and the like, as well as participate in a wide range of special events described below.

Creating the Incentives

In order to create the atmosphere that Atlantic City is the place to be in 2011, we suggest a broad-based program that utilizes the Monopoly theme to drive traffic, spur growth, create winners and increase revenues.

Millionaire Weekends

There is nothing more compelling than the prospect of winning a huge payday for doing something you already do. We suggest that Atlantic City throw three major weekend bashes on Feb. 2 (2/11/11), July 11 (7/11/11) and Nov. 11 (11/11/11). In addition to a variety of city-wide events as yet to be determined, one person who is registered at one of the 11 casino/hotels will be drawn at random and win \$1 million. This can be publicized now in order to generate interest and spur advance room reservations.

Monopoly Contest

From December 1-14, 2011, we suggest holding a \$1 million dollar, winner-take all Monopoly contest at the Convention Center. We suggest working with Hasbro and the Guinness Book of Records to provide the necessary endorsements for professionally staging the World's Largest/Most Lucrative Monopoly Tournament.

Mr. Moneybags Daily Giveaway

Atlantic City must reinvigorate the notion that people win, that people have fun, and that it happens all the time everywhere you turn. We suggest that Mr. Moneybags (and costumed surrogates) give away a \$1,000 bag of money once a day at each casino in Atlantic City between the hours of 11:00 am and 10:00 pm. This program alone will generate over 4,000 winners over the course of the year.

Free Slot Pull

We suggest working with WMS Gaming to develop a 10 foot tall Monopoly slot machine that would be placed in front of Atlantic City Convention Hall. Every person would be eligible for one free pull every day (scan a driver's license) for a chance to win \$1 million. Every player receives a \$1 match play coupon for any table game at any casino. We also suggest a "last-chance" drawing for all those who had the winning symbols but on the wrong pay out line or missed by one symbol on the winning line – the consolation prize in a random drawing would be \$100,000 (dates to be determined).

Monopoly Game Piece Parade/Lottery

Throughout its history, the Monopoly game has utilized 12 game pieces. We suggest that local and regional artists be commissioned to create Claes Oldenburg-style statues throughout the city (but primarily on the Boardwalk and The Walk), based on the success of previous commissions of this type, most notably, the cow parade in New York City many years ago. These can be colorful, whimsical adaptations of the classic game pieces. The beauty of 12 pieces is that it allows for a different piece to be spotlighted each month.

To spur repeat business, each month a different game piece will be highlighted and visitors can collect tickets of each of the game pieces. Anyone who collects all 12 game pieces will win a share of \$1 million dollars. All those with 12 confirmed tickets will be invited to Atlantic City the week between Christmas and New Years Eve. One winner receives \$500,000 with the remaining entrants sharing the other \$500,000.

In this way, up to 5,000 people who collect all 12 pieces could be accommodated. The hope is that several hundred, if not several thousand will actually collect all the winning tickets. It could also be announced that all of the rarest tickets will be given out in October or November spurring a boost in traffic that month.

Out-of-Market Promotions

It is essential to increase the number of visitors who come to Atlantic City from beyond a 150...even a 250 miles radius. These are vacationers who will come and spend money, gamble, but more importantly, take the Atlantic City message back home to their friends and relatives to spur additional visitors. We believe that giving away hundreds, if not thousands of room-only packages to these visitors is infinitely better than comping low level players who reside within a 50 mile radius

Mr. Moneybags Media Tour

Throughout the month of November, 2010, we suggest launching a media tour to send Mr. Moneybags to select cities serviced by airlines flying into Atlantic City International Airport. The purpose would be to talk up the many money winning promotions the city is planning in 2011, provide b-roll footage of exciting Boardwalk action and be a fun spokesperson for the city. In each market 100-200 coupons for 3 day/2 night stays (Sunday-Thursday; blackout dates apply)* would be awarded to viewers/listeners.

Monopoly Game Tie-in

Inside 5,000 select Monopoly games will be the Willy Wonka equivalent of a Golden Ticket that can be redeemed for a 3 day/2 night (Sun.-Thurs.; blackout dates apply)* stay in Atlantic City.

**Casinos will be assigned to redeem coupons based on their percentage of total rooms in the market. In this way, each casino shares equally in the redemptions.*

Offsetting the Cost

We estimate this program would cost approximately \$16 million over the 18 month period, not including the cost of room packages. That includes some \$10 million in giveaways, the cost of subsidizing the statues, media touring, and miscellaneous expenses. We would like to suggest some ways help offset these costs:

- Seek licensing fees from WMS Gaming
- Develop customized sterling silver and 14k “hotel” charms used in the monopoly game to be sold in each hotel/casino
- Create a 2011 calendar featuring the Golddiggers to be sold throughout the remainder of 2010 (a portion of the sales would also go to local charities)
- Special \$2/room tax for one year will generate approximately \$8 million from all casino/hotels)
- Create a \$5,000 limited edition (only 2,000 to be made) Collector’s Monopoly set with casino theme to be sold in each of the properties
- Sell Atlantic City/Casino –logo’d “moneybag” totes

Conclusion

The current economic conditions and the dramatic decline in gaming revenue in Atlantic City have spawned many possible solutions, including those that could prove to be detrimental to the market. These include the possibility of slot machines at the Meadowlands, boutique casino/hotels that would only cannibalize existing business rather than grow the market in any meaningful way, and continued in-fighting that will further alienate what is rapidly becoming not only your core audience, but your sole audience...the residents of New Jersey.

As Atlantic City could be well on its way to a decline in gaming revenue for 2010 on the order of \$400 million or more, a \$15-20 million program is really just a drop in the bucket in an effort to turn the city around, provide a program that every casino, every employee and every resident can rally around, and send a resounding message that the city can come together to create one, in what will be a long series of programs and developments that will help bring Atlantic City back to its heyday.

Prepared by:

Wayne H. Schaffel
President
Public Relations Network
wayneschaffel@aol.com
914-602-6693 (office)
917-903-0309 (cell)