

Report to Board and Commission June 30, 2015

Part I - Live Attendance

1 – A

2014 On-Track Attendance

	<u>Monthly</u>	<u>Daily</u>
January	2,774	90
February	2,329	83
March	4,308	139
April	5,221	174
May	14,873	480
June	10,337	345
July	7,619	246
August	8,420	272
September	4,451	148
October	4,741	153
November	3,778	126
December	2,288	76
Year	71.139	

Mohegan Sun Pocono tries to provide a friendly and welcome environment that the entire family can enjoy during their stay. Mohegan Sun Pocono includes many promotions during the year to attract and reward not only our faithful, but also our new customers.

1 - C

We have highway signage from two miles outside the facility to direct customers. Also, inside the facility and casino there is signage directing customers how to get to racing.

1 - D

In 2015 there were no major physical plant changes to the facility. However, from 2012 to 2014 we included a lower grandstand, betting, and refreshment area. Also, we raised the level of the racing apron to give the fans a better view.

2 - A

Our Racing Rewards program is a program designed to benefit the racing fan/patron by offering points based on their wagering history. Each point is One Dollar (\$1.00) in value and may be used at any of the restaurants on property; for beverages at any of the bars; for racing programs; and, for betting vouchers. The Racing Rewards card stores all information for a fan/patron, including address and e-mail address, and information is sent on upcoming promotions; stakes races; and, promotional giveaways. An offer tailored exclusively to a patron, based on their wagering history may be sent to the address on file as well.

The ADW site, <u>www.ibetmohegan.com</u>, also offers benefits to the racing patron who wagers through the site. For example, points from wagers on Pocono live racing are doubled and those points can be converted back to money in their account. Dial-A-Bet offer the same options as well.

At all times patrons are encouraged to use their Racing Rewards card every time they wager so that they may accumulate the points and use them for the amenities on property. They are also reminded that they receive advance notice of any promotions and events that the track holds during a racing season, i.e., the Victory Espinoza event. Through the use of an e-mail blast, our racing database was notified first of this big event the week of the Belmont Stakes.

Through extensive advertising, both in print and through radio and television, upcoming events at the racetrack are promoted. An ongoing radio weekly radio promotion with Cumulus Media and WMGS targets listeners 30-49 with harness racing trivia and a chance to win dinner at Pacer's Clubhouse at the track. Social media is also a huge asset to the track, with the track maintaining their own Twitter account. The percentage of people engaged in social media has risen steadily, with 89% of ages 18-29 using social networking sites, and 82% of ages 30-49 using the sites regularly.

2-C

Right now, nothing is 100% definite, but we are looking at closing the barn area and plan to provide family entertainment attractions that we hope will increase attendance and handle.

Part II - Handle

1 - A

1)	On Track	3,610,018
2)	Off-Track	751,804
3)	Account Wagering	757,405
4)	Other Locations	54,337,345

1 - B

1) On Track	11,833,139
2) Off-Track	32,768,445
3) Account Wagering	10,195,828

2

Extensive advertising of the racing product and promotions has proven to be successful in bringing new fans to the track, and continuing the popular promotions keeps them coming back. All locations, including the three off-track wagering facilities, offer the popular promotions during the live racing season with the incentive to keep the fans coming back. As an example, offering a voucher that can be wagered on later races keeps the fans engaged and wagering with their own funds, as they wait to redeem their free wager. A handicapping tournament also keep the fans wagering while playing in the tournament.

Also under constant evaluation are different types of wagers (Pick 3; Pick 4; and High Five). These are constantly scrutinized to see what the impact is on the handle. Promoting these extensively to the racing fan, along with the payout, also helps to make it popular and to make the pool grown.

Part III - Native Breeding Industry

1 - A

·	PA horses competing Starts Purses earned	1,124 7,251 \$30,638,725
1 – B	;	·
	PA sired/bred total % of starts % of purses earned	45% 44% 51%
1 – C		
·	PA restricted races % purses paid	58% 19%

2.

We are always in contact with the PHHA to increase purse incentives and hopefully draw more PA Bred / Sired horses.

1.

RACING STATISTICS

The Downs at Mohegan Sun Pocono

2009-2014

of Races No. of Races with a PA Restriction In 162 257 152 182 126 116 Purses Distribute d \$27,318,85 \$31,161,29 \$32,181,78 \$30,003,04 \$39,784,19 \$30,638,72 Purses Distribute d \$11,051,04 \$12,861,74 \$13,845,37 \$14,364,15 \$20,682,05 \$16,024,12 Purses won by PA Sired to Total 40.4% 41.2% 43% 47.8% 52% 51.9% Purses won by PA Sired to Total 16,835 16,702 16,781 16,640 17,620 16,308 Total No. of PA Horse Starts 5,607 6,132 6,611 6,869 7,982 7,251 Wo of PA Sired Horses that competed 1,169 1,327 1,390 1,467 1,649 1,532 No. of PA Sired Horses that competed 1,169 1,327 1,390 1,467 1,649 1,532 No. of 940 965 1,059 1,123 1,134 1,124		2009	2010	2011	2012	2013*	2014
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Races						
No. of	961	880	825	727	748	665
Claiming						
Races						
No. of	142	188	147	154	221	191
Stakes	<u> </u>					
Races					-	
Races	99	145	130	157	222	155
with all						
horses PA						
Sired						
Purses for	\$3,894,340	44,480,388	\$4,258,251	\$6,290,152	\$5,986,444	\$5,718,475
Races						
with all						
PA Sired						

*-2013 racing season featured Super Stakes Saturday (Battle of the Brandywine 3 Yr. Old Open Pace, Colonial 3 Yr. Old Open Trot & Valley Forge 3 Yr. Old Filly Pace; and Breeders Crown 12 race events

2.

Mohegan Sun Pocono annually has increased the class of horses from previous year. However, with the result of the Monarch Contract negotiations over the winter in which Mohegan Sun Pocono lost a significant amount of purse revenue, it is hard to project higher purses which will bring a higher class of horses for the upcoming season.

Part V - Residence

1 – A 1,500 (estimated)

1 – B 32% (estimated)

1 – C \$12.25 million (estimated)

1 – D 52% (estimated)

2. As always we work closely with the PHHA to provide incentives in bonus and purse payments to encourage PA participation.