

Spotlight on 2012 and Beyond

The New Year is fast approaching, and with it a number of issues relating to the Indian gaming industry. The nation is still struggling with economic recovery, and hot-button topics, such as Internet gaming, have many speculating how the industry will be affected in the coming year. This month we asked members of our Editorial Advisory Board to share perspectives on what lies ahead in 2012. Here is what they had to say...

Dike Bacon, Principal Hnedak Bobo Group

The general definition of the American gaming customer is changing and will continue to change as the national economy gradually recovers. With less discretionary spending, declining notions of financial self worth, and uncertainty about the future, it doesn't take an economic expert to connect the dots. As with any radical shift of a status quo, however, there is always opportunity to take a proactive instead of reactive perspective.



Dike Bacon

Success can be found by making things happen, not waiting. It bears repeating that three aspects of the gaming business that will never change are” the battle for the customer's attention, the battle for the customer's disposable dollar, and the battle for the customer's loyalty, in that order. If you can't get the customer in the facility, you obviously don't have anything to work with. If you can't get the customer to spend once inside, you of course have no revenues. And if the customer isn't happy with the experience he won't be loyal and come back - he'll just go down the street.

All planning processes and creative design solutions should focus on these primary objectives and embrace the changes to the customer within that context. One inescapable result of the economy is that the entire industry will continue to learn to do more with less and all investments will have to make an ever-greater impact to the bottom line. New investments will continue to be under greater scrutiny by lenders, investors, and financial advisors. This is actually positive and how it should've been all along. Clarity can expose opportunity. Defining competitive market position and adopting a 'back to basics' realistic expectation of what it takes to be successful in the marketplace will continue to inform our industry going forward. Fortunately for all of us, Indian gaming is not stagnant but quite vibrant.

Buddy Bartholow, Account Executive Midwest Region Multimedia Games

Throughout 2011 we noticed one pronounced trend in the industry that we expect to continue into 2012. Tribes who currently don't have Class II games on their casino floors are taking a closer look at trying them because those who have are seeing performance numbers that rival Class III games. In the past once tribal-state compacts allowed Class III games, many tribes moved away from Class II because they felt Vegas-style games were far superior to the older Class II cabinets and games. However, Multimedia Games, the original inventor of Class II, has significantly improved the look and feel of Class II games over the last several years to a point that they equally match the entertainment experience of any Class III game. When you combine the tax benefits with high performing games, Class II makes more and more sense.



Buddy Bartholow

Tracy Burris, Tribal Gaming Commissioner Viejas Band of Kumeyaay Indians

2012 is time for a new legislative session at both the state and federal level, and my interest in pursuing i-gaming or Internet poker legislation for tribal nations remains energetic and healthy. Where does the campaign go from here: for or against Internet poker or i-gaming?

The purpose of this prediction is to try to inform all interested tribes that they should remain hopeful of a good outcome to the i-gaming debate. There will be a series of specific meetings continuing on the Internet gaming debate, giving greater depth and focus to some of the major issues and concerns raised in the last five years by various tribal groups. It is my belief that such



Tracy Burris

discussion will result in consensus on some of these major issues.

Upon the completion of these tribal working groups I would like to see legislators at both the state and federal level try to schedule additional hearings of those committees that have this issue within their jurisdiction. This is extremely important, so that all the members of those committees and the general public will be fully informed of the status of Internet gaming in Indian Country prior to any legislation

being heard in state or federal committees in the year 2012.

It is clear to me that Internet gaming is here to stay and I look forward to the challenge of crafting legislation that is beneficial to the tribal operators and the players. It is my hope that any such legislation will strive to prevent redundancies in the checks and balances of the regulation of i-gaming; that the aspects of keeping the systems fair and honest through internal controls is adequately met; and that issues such as detection and data storage, prevention of criminal activities, self-exclusion and dispute resolution are all dealt with appropriately.

There are many possibilities in how legislation can address the many interests out there, whether it be a tribal/commercial gaming partnership, or tribal /state lotteries, tribal/card rooms, tribal/racetracks, or some combination of all of the existing gaming operators. I do believe that i-gaming can't be used to solve the current budget crisis of both state and federal governments by over taxing it. We must all work together to find a system that benefits all.

Steve Cadue, Chairman Kickapoo Nation

The future of economic development via Indian gaming in Indian Country for 2012 and beyond is severely threatened. Online gaming has become the virtual plundering of Indian gaming market success all while state gaming enterprises continue to spread. In 2012, tribal gaming revenue can expect to see the deeper economic ramifications brought on by the proliferation of online gaming and expanded state gaming.

Information technology (IT) is the backbone of online gaming and, in much of Indian Country, the digital divide still persists. When Indian tribes began mining Indian gaming gold, anti-Indian self-determination opponents immediately began hatching plans to severely limit Indian tribal self-determination economic gains. Tribal gaming does not stand alone in the comprehensive economic plans of Indian tribes. Indian gaming revenue is a sovereign tribal resource for investing in



Steve Cadue

our people or in our tribal economic diversification. Indian gaming revenue for Indian tribes to strengthen tribal government via economic development is the primary purpose of the IGRA Act.

Economic injustice has been carried out against our Indian tribes in many different and stealthy ways. The discovery of gold in Indian Country (Indian territory), the discovery of oil, the nation's growing need for our natural resources:

water, timber, land and minerals, all led to the theft of tribal economic resources. In more modern times, tribal governments resorted to tobacco sales and fuel sales. Again, these economic ventures were quickly destroyed by anti-Indian economic forces. Today, U.S. Small Business Administration Section 8(a) economic programs for Indian tribes are under severe dismantling efforts by anti-Indian economic forces.

Our sovereign right to establish gaming took the gaming entertainment business out of Las Vegas and brought an enterprising entertainment business to the nation. We have also witnessed expanded gaming in several states that were once bitterly opposed to tribal gaming enterprises. Indian gaming works and it makes money. However, our Indian people have always known that the window of Indian gaming opportunity would close. Our Indian people will survive. Our will won't be broken. Thank the Creator.

Eric Casey, General Sales Manager Planet Bingo



Eric Casey

In talking with tribal bingo managers coast to coast, the general consensus is that most bingo managers are happy to end this year in the black with revenues at breakeven to last year or a little ahead, which given the continued 'belt-tightening' economy is an accomplishment!

Opening a new session bingo operation as a player amenity continues to be an area of strong interest from tribes that don't have bingo

currently or gave it up in favor of other gaming offerings: the value of bingo as a traffic driver to the casino is well understood.

A number of tribes in Oklahoma and the north-central states are looking at bringing back, and the Coushatta tribe of Louisiana will start the New Year with a brand new bingo hall opening in mid-January.

In 2012, 'traditional session bingo' in the bingo rooms of Indian Country will continue to see advances in technology drive change into the player experience, with 'integration' being the key word to watch for. Integrating features between the bingo point-of-sale system and the bingo caller's desk software together with dynamic visual display capability is changing the way the tribal bingo hall connects to its patrons, and turning bingo rooms into modern, exciting presentations with mass appeal as a comfy-zone for gaming entertainment.

Among the most dramatic of these changes is the use of digital display media to replace to the old 'hardwired' bingo flashboards. With projection and flat-panel technology becoming ever more affordable, bingo halls can now present 'video flashboards' which manage multiple types of video input, often simultaneously. Exciting themes, multimedia presentations, and the integration of 'video door-prize' types of marketing tools help create a vibrant, upscale environment in the 'traditional' bingo hall. This is exactly the right direction to be going in to capture the visitation, appreciation, and loyalty of today's casino-bingo customer.

Beth Deighan, President Casino Careers



Beth Deighan

Gaming has been a very successful tool for economic development for many Indian tribes, resulting in the investment of businesses, educational institutions, and medical facilities, which support the needs of the tribes' youth and elderly.

In 2012, tribal nations will continue to invest in the growth of their gaming facilities, but will also continue to develop their enterprises outside of gaming, to ensure

stability and less vulnerability to an economy which limits discretionary spending.

Understanding that technology is critical to maintaining a competitive edge in the gaming industry, Native American organizations will continue to seek employees with strong technical and analytical skills, who are visionary and able to implement strategies necessary for future success.

This will necessitate an assessment of their current management teams, to determine if they possess the skill set essential to attaining the company's long-term goals and objectives.

In tandem, Indian gaming enterprises will evaluate their organizational structure and Human Resources programs to determine if they operate efficiently and cost-effectively; provide adequate training to facilitate employee development and succession planning; and offer compensation and benefits programs that will attract the talent they need to sustain growth and maintain a competitive posture.

The hiring of employees with sophisticated technical skills will necessitate a company culture that facilitates the retention of the most valuable employees. So, tribal gaming companies will also focus on creating a work environment that recognizes and rewards innovative staff members who have an impact on improving the organization's profitability.

Native American organizations that have an aggressive plan for the future will be introspective in 2012 and will make the changes they need to establish their gaming entities as an "employer of choice" with a stable work environment that values employee engagement and rewards commitment and achievement of company goals.

Gabe Galanda, Partner Galanda Broadman



Gabe Galanda

In 2012, the Indian gaming industry should expect to face increasing attack from from state governments. While Indian gaming revenues remain per se tax exempt under IGRA, non-tribal officials are standing watch at the periphery of the industry, and just across reservation lines, hoping to seize hard-earned tribal cash.

This is nothing new; since the early 1800s non-Indian interests have sought to reach

into Indian Country and extract every possible dollar from sovereignty-based tribal industries. With states facing an ever-expanding budget deficit, their attention to any perceived tribal wealth surplus is becoming more refined and readily apparent. Yet instead of the brute physical force deployed to destroy tribal economies in the 19th century, non-tribal actors now deploy the power to tax, legislate, litigate and otherwise exploit sovereignty-based revenue from everything Indian Country has worked so hard to restore – especially from the perceived \$26 billion Indian gaming "cash cow."

Consider, for instance, tribal governmental gaming per capita payments. In California, the state has successfully levied taxes upon the per capita proceeds of on-reservation Indian gaming. At least one court has held that IGRA does not preempt California's state income tax on those proceeds once

they fall into the hands of tribal citizens living off-reservation – even if their tribe, like several California tribes, is landless. As that case illustrates, states are zeroed in on the likes of Indian Country’s new middle class in hopes of extracting Indian wealth – just as state (and federal) officials were 200 years ago.

In the New Year, Indian Country must take preemptive legal and political steps to expose, confront and countervail those insurgent non-tribal forces that threaten American Indian economies. In that way, we will deter the demolition of what tribal governments have worked so hard to rebuild for the last two centuries, most recently and most notably through Indian gaming.

Kell Houston, Owner Houston Productions



Kell Houston

Houston Productions has a very clear picture of the trends in concert entertainment from all regions. We are finding that the major agencies are much more interested now in working with buyers to produce better routing for their artists as well as better pricing. The artists are much more grateful for the business and are being more cooperative with meet-n-greets and additional promotional touches. For 2012, I fully

expect this to continue.

Additionally the game shows and reality TV shows are producing very entertaining events for casinos. Cabaret entertainment with live bands could be making a comeback in casinos. Properties are finding that the higher end cabaret bands and tribute groups are drawing customers in for a lot less money than a stand alone concert and they play for sometimes 2-3 nights. Headline comedy still works well and as more of the mid range comics gain some exposure, we will be finding more options for properties. Branded comedy shows, like “LaughCatchers” and “Pow Wow Comedy Jam” with multiple comics with national credits are doing very well and will continue to do more business in 2012.

Packaged artists using one band also will continue to do well because you get 2-3 stars and the costs are very workable. Also, acoustic shows with 2-3 players including a star will continue to be a strong option for the smaller rooms and shows. Again, these still brand well with the stars, but your costs are much reduced from full band shows. Indian gaming is a strong vital business for entertainers.

We are entering another election year so all of us are cautiously optimistic about the economy and business trends for 2012.

Jamie Hummingbird, Director Cherokee Nation Gaming Commission



Jamie Hummingbird

I believe there will be a number of issues that see much attention, but little to no resolution. We will see and hear more, undoubtedly, on the subject of Internet/online gaming legislation on the federal level; however, with the presidential election looming, any chance of legislation making it out of Congress is slim. State legislation is another matter. Nevada will be in a position to implement its online gaming regulations, which will be adopted by the

end of January. Other states, such as California, New Jersey, and Iowa, may also see resolution to their online gaming debates. The ripple effects caused by these states will be felt in other jurisdictions (e.g. Florida) that have been waiting for others to test the waters, and may be the impetus for legislation in those states.

By the end of summer, the National Indian Gaming Commission will have finished its review of the tribal advisory committee’s recommended changes to the minimum internal control standards and will be ready to publish the final document. Tribes will then be faced with the challenge of revising their internal control systems and making significant adjustments to current operating practices based on the effective date of the federal standards. The document I expect to be published, however, will show a greater respect of and deference to Tribal Gaming Regulatory Agencies.

Knute Knudson, Vice President, Native American Development IGT

Several issues that could have a significant impact on Indian gaming remain in limbo as we enter 2012. It is very difficult to handicap how and when these issues will be resolved. But we do know the issues that will have the greatest impact on tribal gaming when they are resolved. The most critical, the most game-changing event that may occur for Indian gaming is legalized Internet gaming. If, when, and how Internet gaming is legalized in the United States will have a substantial effect on tribal gaming.

Will Internet gaming be legal in the U.S. in 2012? That race is too close to call. But, we do know there is a strong push in Congress to legalize Internet poker. And we know tribes are preparing. Legalized Internet gaming will bring opportunities



Knute Knudson

for tribes as well as challenges. The nature of those opportunities and challenges will depend on the terms of Internet gaming legislation. In any event, I predict tribes will be substantial players in Internet gaming should it become legal in the United States. Many, many tribes are now preparing for the possibility of Internet gaming. They are preparing to take advantage of the opportunities that will occur with

Internet gaming and they are preparing to meet the challenges of legal domestic Internet gaming.

Tribes are working in certain regions to shape Internet gaming legislation. They are lining up vendors to provide server, web design, and game products. In addition, tribes are using free play Internet products to familiarize their customers with the look of online gaming and to market their new casino games. Other issues that we at IGT and all in Indian gaming will be closely watching will be the fate of a Carcieri fix and the status of tribal land requests for gaming. Indian gaming under IGRA may only occur on Indian lands so resolution of Carcieri and of pending land requests will do much to shape where and how brick-and-mortar tribal gaming expands.

Sheila Morago, Executive Director Oklahoma Indian Gaming Association



Sheila Morago

Since tribes are currently participating in another National Indian Gaming Commission (NIGC) Tribal Advisory Committee (TAC), I guess I will start there. This TAC is tasked with advising the NIGC on Class II technical standards and Class II and III minimum internal controls. My hope is that these issues get put to bed once and for all. My prediction is that the new Tech Standards and MICS will be

well on their way to being implemented in 2012. For years tribes have spent way too much time and money on these issues. So let's hope that in 2012 we can take the time and money we have spent on these issues and spend them on more pressing issues such as housing, health care and education.

Internet gaming and new technologies will also be at the top of the list for us to deal with in 2012. By all accounts, the country will still be in the throes of the current economic malaise, and governments at all levels will be looking for additional sources of revenue. The idea of gaining that additional revenue from Internet gaming will still be at the top of a lot of minds. This shouldn't come as a big surprise given the fact that every time governments are short on cash they turn to gaming. Can anyone say "lottery?"

While I think it is highly unlikely that Internet gaming will pass in 2011, we can be sure that in 2012 the issue will heat up. Tribes will have to take the time between now and then to make sure they have as much information on the subject as possible, so that they can make an educated decision on where they would like to be positioned on the issue. My hope is that, at the very least, tribes will be able to get into the business if they want to, and that tribes should be able to regulate and tax the business. That way they too can add to their government revenue, just as the states and federal government are trying to do.

Michael E. Newell, VP of Sales Eclipse Gaming Systems



Michael E. Newell

The innovations gap between Class II and Class III games has narrowed to the point of non-relevance, and it is likely we will see more Class II product in play across Indian Country in 2012. Adding new Class II content will likely be incremental placements rather than as replacements in markets with potential for expansion. Class II is an attractive option in lieu of tighter operating budgets and tax assessments

via tribal/state compacts.

Content flexibility is an important asset for Class II gaming. Since, by definition, all electronic Class II games are server based, optimizing content on the gaming floor is painless and cost effective. Much of new Class II cabinet architecture incorporates downloadable graphics and theme art making the process of content upgrading more a back-office server process, thus reducing floor disruption.

Local markets in Indian Country will likely see growth as more tribal governments expand gaming and other enterprises across their sovereign lands and increase their exposure to opportunity. This is the same strategy employed in the early years of state lottery growth: when access to gaming products increased, sales increased more than incrementally!

On the Class III machine gaming side of the market, 2012 could be a strong year for replacement content at destination venues and other larger properties. Server based Class III games will likely see more usage as these systems offer the same operational advantages of Class II server based systems. Improved consumer confidence, occurring now and likely to continue through much of 2012, will likely increase gamer visits with the potential for an increase in per capita expenditure.

Innovations in Class II and Class III products have gotten the attention of technology literate gamers desirous to explore the innovations. In short, 2012 is building up to be another banner growth year for Indian Country!

Keith O'Brien, Senior Associate RSP Architects



Keith O'Brien

In 2011, we noted an increasing number of Native American communities beginning to diversify their properties by adding more entertainment options and amenities. I believe this trend will continue into 2012. If this proves true, tribal communities will have the critical task of ensuring they have a thoughtful and comprehensive master plan that supports their business plan and takes advantage of this trend.

A good master plan is essential in supporting your business plan. Does your business plan relate to the master plan of your property? If not, now is the time to contact a trusted design firm. They should have expertise to map out a solution for your business plan as it relates to your property.

A good master plan should be based on a solid, realistic feasibility study. That study should suggest what type of ancillary facilities, gaming or otherwise (adding/remodeling hotel rooms, adding conference facilities, entertainment venues such as bowling or small cabaret, upgrade players club, etc.), that gives you the incremental gaming revenue that makes sense for your immediate property. The study may also suggest ancillary facilities adjacent to or possibly off-reservation such as c-store/gas or a retail outlet mall. Regardless of your current property's size, you should have a current feasibility study to back up your master plan.

Once a solid master plan is in place, your design team can help you address the changes that are coming in 2012 for each project type within your property. Outside influences such as: the individual states economies (and states looking at tribal and

non-tribal gaming to fix their deficits); technology advancements; Internet gaming; federal government rulings, etc., may indicate which phase of your master plan makes sense to change and/or apply in the year to come. I predict 2012 as the year of positive change that will result in tribal economic growth.

Michael Price, Director of Development Gaming Laboratories International (GLI)



Michael Price

2011 was an exciting year in technological development, and in each of our global labs, we saw a great deal of new technology that challenged regulators everywhere to closely examine their current regulations to see how easily adoptable in their jurisdictions the technologies were. Now as we look to 2012, we are already seeing an influx of new technologies in our labs. Regulators can rest assured that as the most advanced test lab serving the industry, we are

absolutely prepared and equipped to test and certify the technology and to advise regulators on the potential impact.

At GLI, we test for all Indian tribes in North America, both on a Class II and Class III level, and we have provided more than one million product certifications over the past 22 years. Now this is a story about trends and predictions, and while as the lab we do not make a practice of making predictions, we can say that the trend of new technologies being introduced into the gaming industry is continuing as far as we can observe from what has arrived in our labs, just as that has been the trend for the 22+ years we have been testing for tribal gaming entities.

With technology evolving and challenging regulators, it is more important than ever for regulators to stay ahead of change, and to help, we will stage our annual Roundtable on March 7 and 8 at Treasure Island in Las Vegas. There are significant technological advancements to discuss, and we strongly encourage regulators from across North America to attend.

Kip Ritchie, COO Potawatomi Business Development Corporation

A variety of issues will drive Indian gaming in 2012. Politics, cloud technology, and social media will all be driving forces of change in Indian gaming. Most politically interest-



Kip Ritchie

ing will be the effect of the off reservation gaming ruling by the Administration, and the effect on current gaming facilities. Also, the push for online gaming will be watched closely across the country in terms of political resistance, customer acceptance and new profit centers. Finally, will states look to tribal gaming or state run gaming to make up for lost tax revenues?

As usual, technology will continue to affect tribal gaming operations and marketing.

Expect a continued move to cloud based gaming by the major vendors, and more embracement of the cloud idea by tribes. Research firm Forrester predicts cloud computing is one of the “next big things” in technology and, as both a user and a technology services provider, we agree. So much so, that our wholly owned subsidiary OneProspect Technologies recently launched CloudSpirit virtual desktop infrastructure. Cloud technologies are more universally accepted and tribes are beginning to realize that being in the cloud doesn’t mean sacrificing or foregoing sovereignty.

Cloud technologies can enable tribes to do more with less infrastructure, and solutions can be environmentally friendly, a big feature for many tribes. Tribal leadership and employees can streamline and automate the most time consuming and paper-intensive processes which benefits environmental sustainability. As an example, we’ve found we can better manage tribal motions, procurement and travel requests. And, cloud computing makes it easy to retrieve archived documents. Securing data is at the heart of tribal sovereignty. Now cloud computing provides reliable, quick, and easy access to that information.

Social media is driving more personal interaction and marketing opportunities for casinos. Twitter, Facebook, YouTube and mobile applications provide gaming properties with new methods to drive incremental revenues from strong client bases by delivering incentives and improved player rewards. These will ultimately drive more traffic to hotels and dining facilities as well. Tribes are definitely becoming a leader in this arena. Expect to see many new applications specific to Indian gaming facilities during 2012.

While tribal gaming growth has slowed, our casino operations continue to improve each year. As tribes become increasingly sophisticated and more business savvy on operating their own facilities, growth will happen internally and provide opportunities for expanded tribal economic development.

Victor Rocha, Editor Pechanga.net

Be online or be left behind. This should be everyone’s mantra in 2012. Since online poker is no longer a hypothetical but a matter of time and political will, the big question is who will regulate it? The tribes are unified behind self-regulation, but Sen. Harry Reid & Nevada want regulatory control. This is the political battle to watch.

While I don’t expect the passage of any major iGaming legislation in this election year, I am seeing Indian Country positioning itself as a player with the free-to-play online poker websites. This will raise their casino’s online profile and help build up that ever so important CRM database. In the online gaming world, the database is king.



Victor Rocha

Linda J. Roe, VP Business Development & Client Relations Thalden Boyd Emery Architects



Linda J. Roe

“May you live in interesting times” is an ancient Chinese proverb. The past three years of economic instability have been both interesting and challenging. I predict 2012 will be less challenging and, hopefully, more interesting. The challenge to overcome the recession with our philosophy of focusing on the casino floor has helped our clients increase revenue while competitors languish. It wasn’t that long ago that it was all about the gaming floor that drove nearly

all the business (and huge profit margins). Unfortunately, that focus shifted to low margin businesses - shows, restaurants, retail, spas, and night clubs - diminishing profits. We believe it is time to get back to gambling and this is the dawn of the new vision for gaming.

Our firm has been revolutionizing the gaming floor with new ideas and a re-focus. Utilizing a strategy we call “Casino

Performance Design,” we are bridging the gap between casino design and casino financial performance. We have been able to make the casino floor exciting, more fun and focused on customer enjoyment. As technology has allowed for server-based gaming, a wider variety of gaming display devices, including mobile gaming, are changing the gaming experience. We are creating exciting new environments (like our “I-Pad gaming lounge”) where customers can play with mobile devices in comfortable seating. We predict this new mobile technology will allow for gaming on mobile devices in hotel rooms and restaurants, and as this technology sweeps the country, gaming devices will change so radically that the term “slot machine” will eventually disappear.

Although financing remains difficult, the time to build is now! There will never be a better time to get competitive construction costs – and be open as the economic expansion blooms. We have steadily remained busy designing many of the first of the “recovery wave” of casino expansions and new casino properties. We believe by 2013, the casino industry will again be thriving. Yes, we are living in interesting times.

Clair F. Rogers, Sr. VP of Sales NEWave



Clair F. Rogers

As the year of the “new normal” comes to an end, let’s turn our focus on 2012. I believe the following three thoughts should be at the front of your Indian gaming mindset in 2012.

First, fundamental infrastructure investment is returning. Our casino customers are accelerating their use of new technology and are becoming more discerning about where they spend their entertainment dollars, making it essential for tribal gaming

operators to deploy equally sophisticated and differentiated gaming offerings. Technology is abundant. Innovation is back – along with new bells and whistles. And with Internet and mobile gaming on the horizon, manufacturers are focusing their development efforts on the next generation gamer.

Second, additional taxation and expansion is a given. Governments need money badly now, and online gambling taxes will be a cash cow. Expect both federal and state

governments to try and seize additional dollars and increase regulatory oversight. In some cases, governments may be deliberately using additional regulation and/or high taxation as a form of prohibition to make products and services less attractive, as in the tobacco market. But whatever the intention, the effect in such cases is to limit the growth in the legalized market. Protect your sovereignty.

Third, now is the time to fill the gaps. Management will concentrate on being more efficient, providing better customer service, streamlining mundane processes both internally and externally. It will become leaner, stronger and more solid and secure by concentrating on those things they can control, even though they may have neglected them in the past. Ask yourself why it is we still utilize so many humdrum processes including the printing and storage of millions of paper documents? Seriously consider gap filling solutions such as, digital imaging and document management, automated work flow, and other automated streamlining products.

Dan Savage, Vice President, Marketing Bally Technologies



Dan Savage

First off, Indian casinos are some of our most valuable partners. We’re thrilled to work with them to ensure their customers continue to receive first-class service and exciting gaming experiences. Our goal is always to help our partners provide fun ways to ensure guests on their property have a great time, while provide a tremendous return on investment.

The trend toward player interactivity will certainly be part of the future for Indian casinos. A lot of our latest Bally games are moving more in the direction of offering players more choices and extra fun bonuses. Our newest video titles offer lots of new compelling play mechanics, like Double Directional Wilds, U-Spin, U-Shoot, Hot Zone, Locking Hot Zone and Big Bang Free Games, that will keep players on the floor more entertained than ever. I believe these can be a big hit at many Indian casinos!

We also believe our Pro Curve cabinet with several new play mechanics like Breakthrough free games and Rolling Wilds will be a hit in many tribal markets. The Pro Curve

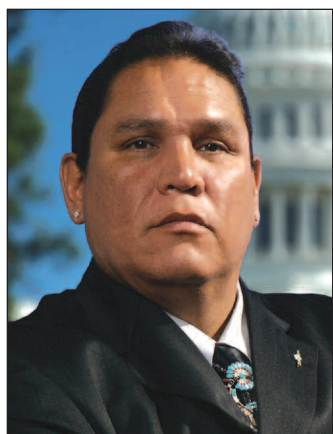
"I would like to thank the House Energy and Commerce Subcommittee on Manufacturing and Trade Chair Mary Bono-Mack and Senate Indian Affairs Committee Chairman Daniel Akaka for their leadership in providing oversight of this important issue. In part, because of their oversight, Indian Country's views on Internet gaming are being heard loud and clear, and we are making a difference. I was honored to testify on behalf of the National Indian Gaming Association at both of these hearings."

Ernest L. Stevens, Jr., Chairman, National Indian Gaming Association

looks just like a traditional spinning-reel machine, but is actually a curved high-definition LCD screen. This offers players a bit of the best of both worlds – traditional stepper and video slots.

It's an exciting time to be involved in gaming and involved with innovative Indian casinos. At G2E there was a lot of buzz about mobile gaming and we showcased our custom mobile applications and play-for-fun games. We also showed the ability to play our games on the Internet so we'll continue to have solutions for our partners as the industry evolves. Exciting times in gaming.

Ernest L. Stevens, Jr., Chairman National Indian Gaming Association



Ernest L. Stevens, Jr.

Congress has debated the issue of Internet gaming for 15 years, and this will be one of the major issues in 2012. Early discussions led to the enactment of a federal prohibition and passage of the Unlawful Internet Gambling Enforcement Act (UIGEA) of 2006. Since passage, some in Congress have shifted focus to consider federal proposals to legalize Internet gaming. Congressman Joe Barton (R-TX) has introduced H.R.

2366 in the House of Representatives.

Senate Majority Leader Harry Reid (D-NV) is also seen as a major proponent of Internet legalization in the Senate. Unfortunately, NIGA has not seen any proposals that adequately address the impacts on Indian gaming from legalization of Internet gaming in the United States. Tribes nationwide have united behind a set of core principles that call on Congress to consult with and treat tribes fairly in the Internet gaming debate. Further, tribes want Congress to acknowledge the constitutionally recognized governmental status of Indian tribes and protect the existing tribal rights contained in the Indian Gaming Regulatory Act and tribal-state gaming compacts.

Joseph Valandra, Managing Director VAdvisors



Joe Valandra

There are many transformative issues confronting Indian gaming. Rather than dwell on the divisive issues, it seems more appropriate to address the key issue for the future – cooperation. The industry faces many foes whose primary goal is division. It is a good political tactic that has worked all too well over the years.

Lest I digress, it is time to unite around collaboration. There is only one sure way to get a handle on the issues being faced and that is through mutual and dependent agreement. Some will say that it is not possible because of the history and nature of tribal politics. Others will say this is pie-in-the-sky thinking. Perhaps both points of view can hold a little water, but I submit that there is a much larger and overriding reason to seek and find unity – survival.

Indian gaming is being threatened at its core. The jurisdictional underpinnings of the Cabazon decision are being tested at almost every turn. The very idea of tribal governmental sovereignty is being called into question with an ever-growing number of cases in state and federal courts. Internet gaming is opening issues upon which even the non-Indian gaming industry is not fully clear, except they are unified in their view that it is the future of gaming.

Indian gaming must find a medium upon which old differences and fears can be laid aside to forge a vision of the future. The alphabet soup of tribal organizations should be called upon to drop their territorial restrictions to come together to create a coherent direction upon which policy and advocacy can be built. Solidarity must be the focus of 2012, or we will see the transition in the gaming industry pass us by with dire consequences for all of Indian Country. ♣