

**FOR IMMEDIATE RELEASE**  
**Tuesday, February 6/2:00pm**  
CONTACT: Dr. Clyde W. Barrow  
(508) 999-9265

**DECLINE IN MASSACHUSETTS VISITATIONS  
TO LINCOLN PARK AND NEWPORT GRAND**

**Fall-off may foretell major Rhode Island revenue loss  
if Bay State approves racetrack slots**

Though more Rhode Island and Massachusetts residents are visiting Lincoln Park, fewer are visiting Newport Grand, and the frequency of visits by patrons of both Ocean State slot parlors has decreased over the last two years, according to a behavioral survey released today by the University of Massachusetts Dartmouth Center for Policy Analysis (CFPA).

Lincoln Park and Newport Grand's revenue decline is a preview of what could become a precipitous drop in the state's third largest revenue stream if Massachusetts approves slots at its racetracks. While Rhode Island slot parlor visitations languish and revenues decrease, Rhode Island and Massachusetts patrons' visitations to Foxwoods and Mohegan Sun have increased.

The declining visitations and revenues at Lincoln Park and Newport Grand directly repudiate projections released last October by the Rhode Island Public Expenditure Council (RIPEC), which estimated revenue increases of 13% annually for the next several years at the state's two slot parlors.

Prior to the November elections, the CFPA publicly questioned RIPEC's reckless projections, cautioning Rhode Island officials and RIPEC that even a cursory fiscal review made it obvious that Lincoln Park's revenues were stagnant, and Newport Grand's slot revenues were decreasing each month. Nevertheless, Gov. Donald Carcieri dismissed any concerns, praised RIPEC's fiscal expertise, and embraced the business advocacy group's errant projections as an underpinning to balancing the state budget.

After the election, the governor acknowledged that Lincoln Park and Newport Grand's declining slot revenues were a contributing factor to the state facing a \$360 million budget deficit.

This CFPA survey, part four of a seven-part survey determining New England residents' attitudes toward casinos and slot parlors, found that Massachusetts residents continue to patronize Rhode Island's two video slot parlors, but have decreased their overall number of visitations to southern New England's only convenience gambling facilities. The survey found that about 17% of Rhode Islanders and 4% of Massachusetts' residents had visited either Lincoln Park or Newport Grand at least once in the past twelve months

Last week, the CFPA released a poll of 1,041 Massachusetts residents showing that 53% of Bay Staters support the authorization of slot machines at racetracks, while 29% are opposed, and 18% undecided. That same survey showed that 57% of Bay Staters supported authorization of a Massachusetts casino, with 30% opposed and 14% undecided.

Lincoln Park is in the midst of a \$125 million refurbishment to upgrade the aging greyhound track, while Newport Grand is awaiting local approval for a pending renovation.

The CFPA, which neither supports nor opposes gambling, studies gambling because of the increasingly significant public policy implications of gambling's fiscal, economic and social impacts throughout New England. Gambling revenues are the third-largest contributor to Rhode Island's state budget.

Next week, the CFPA will release the fifth-part of its seven-part survey examining the potential of gambling addiction, entitled "Is Gambling a Social Problem in New England?"

"It is still too early to discern whether the falloff in Massachusetts patronage to Rhode Island's slot parlors is due to the sluggish state of the economy, Lincoln Park's ongoing renovations, or a combination of both," said Dr. Clyde W. Barrow, CFPA director. "But what is clear," Barrow added, "is that any time a convenience gambling facility becomes an inconvenience to its patrons, the impacts can be both immediate and dramatic."

Barrow also said that "Massachusetts residents are now patronizing Foxwoods in even greater numbers, and that suggests that Bay Staters are diverting more of their gambling to Connecticut's resort casinos."

Still, Barrow said that Lincoln Park's entertainment upgrades seem to have had a positive effect on luring additional Rhode Island and Massachusetts patrons. Barrow said that while Lincoln has experienced a growth in Rhode Island patronage, and that more Massachusetts residents are actually visiting the facility, the frequency of their visitations has declined, and that could be due to the upheaval caused by the ongoing renovation that is expected to be completed by year's end. But the Newport Grand falloff, Barrow said, "has been so precipitous as to raise concerns about its long-term ability to fully recapture its declining Massachusetts patron base."

A few years ago, a Newport Grand executive testified at a Rhode Island State House public hearing that Massachusetts residents accounted for more than half of the facility's patron base. The CFPA's most recent data indicates that Massachusetts residents now account for 37% of total visitations to Newport Grand. The decline in total visits by Massachusetts patrons to Newport Grand and Lincoln Park has had a direct impact on the falloff in VLT revenues for Rhode Island state government.

While the data indicate that the total number of persons visiting Rhode Island's slot parlors has increased over the last two years, the decline in total visitations is explained by the fact that patrons are now making fewer visits per year than in 2004, but likely spending slightly more per visit than two years ago.

Massachusetts residents made approximately 647,000 visits to Lincoln Park and Newport Grand in the last 12 months, while Rhode Islanders made almost 1.4 million visits to the two slot parlors.

Massachusetts men account for approximately 47% of the Bay State patron base at Lincoln Park and Newport Grand, while women account for 53%. About 53% of Lincoln Park and Newport Grand's Rhode Island patron base are men, while 47% are women.

About 79% of Massachusetts residents who visited Lincoln Park and Newport Grand during the past 12 months are 30 years-of-age and older, while 75% of Rhode Island patrons are 30 years-of-age and older.

By education, 49% of Massachusetts residents visiting the Rhode Island slot parlors have some college experience, an A.A. degree, B.A. or PH.d, while 57% of Rhode Island patrons have similar college experience.

By income, 83% of the slot parlors' Massachusetts patrons earn annual salaries of \$25K or more

--- including 51% who earn \$45K or more. About 70% of Rhode Island patrons earn \$45K or more. However, Massachusetts residents have a higher median income than their Rhode Island counterparts, and the higher ratio of disposable income accentuates the Massachusetts patrons revenue impact on Rhode Island's slot parlors, i.e., the more visitations, the more revenues the two facilities earn; the fewer visitations, the less revenue Lincoln Park and Newport Grand earn.

Most Lincoln Park and Newport Grand patrons, about 90%, spend their money on gambling, and about 71% reported spending money on food, but very few, about 4%, reported spending any money on lodging, retail or other entertainment.

In contrast to the Rhode Island and Massachusetts patrons of Connecticut casinos, most Lincoln Park and Newport Grand patrons rated the facilities being "located closer to home" as the most important factor in their decision to visit either facility.

Also, approximately 97% of Lincoln Park patrons traveled less than 60 minutes to visit the facility, and 61% traveled less than 30 minutes to visit the slot parlor. About 76% of Newport Grand's visitors traveled less than 60 minutes to visit that slot parlor.

Lincoln Park and Newport Grand patrons come mostly from the lower-middle to middle-income groups, who have mid-range levels of educational attainment. They are primarily interested in gambling, particularly slot machines, so they are not attracted to the table games or to the numerous non-gaming amenities offered by Foxwoods or Mohegan Sun. They are also less interested in gourmet dining or high-end retail shopping, but they do express some interest in entertainment outlets.

Lincoln Park and Newport Grand patrons do not, for the most part, spend money on overnight lodging, since most travel less than 60 minutes to visit the facilities. In the end, most Rhode Island and many Massachusetts patrons of Lincoln Park and Newport Grand are seeking a convenient gambling experience, eschewing the comprehensive amenities offered by Foxwoods and Mohegan Sun, although occasionally making one or more trips per year to Connecticut's casinos.

For a summary of today's survey results, go to "What's New!" at <http://www.umassd.edu/cfpa>. The summary will be posted on Tuesday, February 6<sup>th</sup>, at 11am.