

## Atlantic Club to Be Sold for Parts, Closed

Written by Administrator

Friday, 20 December 2013 23:00 -

---

The casino that would become The Atlantic Club opened as The Golden Nugget in late 1980, an opulent pleasure palace by the sea whose commercials featured owner Steve Wynn delivering fresh towels to Frank Sinatra.

But next month, the casino will be stripped for parts and sold to two larger competitors, neither of which has any interest in operating it amid Atlantic City's shrinking casino market.

It will be an inglorious end for the Atlantic Club, which says it will close on Jan. 13, reducing the number of casinos in the struggling gambling resort to 11.

The Atlantic Club will be the first Atlantic City casino to close since the Sands shut down in 2006 to make way for a new casino project that never got built.

Two companies with casinos in Atlantic City, Tropicana Entertainment and Caesars Entertainment, will pay a combined \$23.4 million for the business.

According to bankruptcy filings made Friday afternoon, Tropicana will take the 1,641 slot machines and 48 table games for \$8.4 million, while Caesars will get the property and its more than 800 hotel rooms for \$15 million.

A judge must approve the buyers at a hearing Monday.

"First and foremost I would like to express my profound admiration and respect for the employees of this company," said Michael Frawley, chief operating officer of the Atlantic Club. "The events of the last few months have evoked an array of emotions, and through it all, the employees of the Atlantic Club have remained consummate professionals. It is because of these outstanding individuals that we were able to build considerable momentum over the last year. Unfortunately our pace was unsustainable in the extremely challenging Atlantic City gaming market."

## Atlantic Club to Be Sold for Parts, Closed

Written by Administrator

Friday, 20 December 2013 23:00 -

---

He said the casino will operate normally until the Jan. 13 closing date. There were 1,659 employees at the casino-hotel as of Nov. 13.

"The workers at Atlantic Club have loyally served the company for three decades," said Bob McDevitt, president of Local 54 of the Unite—HERE union, representing hotel workers, beverage servers and other casino service employees. "While we can't stop the Atlantic Club from closing, we are going to do everything we can to fight for the workers to get as much as possible in this tragic situation."

Caesars spokesman Gary Thompson said the company has no plans to operate the hotel portion of the complex. Rather, he said, the company will distribute the Atlantic Club's non-gambling assets to its four casinos in Atlantic City — Caesars, Harrah's, Bally's and the Showboat — and will "consider various options for the rest."

Tony Rodio, president of the Tropicana Casino and Resort, declined comment Friday.

Word of the shutdown came on the fourth day of a bankruptcy court auction.

The Atlantic Club thus became the first Atlantic City casino to fall victim to the insidious downward spiral the resort has found itself in since the advent of casinos in neighboring Pennsylvania that began in late 2006. Pennsylvania will soon have more casinos (12) than Atlantic City for the first time ever.

Atlantic City's casino revenues reached a high of \$5.2 billion that year, and will likely fall below \$3 billion this year.

Analysts have long said Atlantic City has more casinos than the now-diminished market can bear.

Another struggling casino, Revel Casino Hotel, could be headed for a second bankruptcy filing,

## Atlantic Club to Be Sold for Parts, Closed

Written by Administrator

Friday, 20 December 2013 23:00 -

---

or could be sold to new owners soon.

**Read more** <http://news.google.com/news/url?sa=t&fd=R&usg=AFQjCNHLq4KrHdosMnJVRwxCSiG008RFLw&url=http://abcnews.go.com/US/wireStory/atlantic-club-casino-nj-closing-jan-13-21292054>