Patrons playing craps at the Rising Star Casino in Rising Sun back in 2006, when it was called the Grand Victoria and business was better than it is today. (Photo: Enquirer file)

Angry over the plummeting stock price of the Rising Star Casino Resort's parent company, activist investors are rallying shareholders in a bid to take control of the company.

Shareholders of Las Vegas-based Full House Resorts have lost half of their investment in the last year as the stock price has dropped more than 50 percent to $1.30.

Now, the group is soliciting shareholders to call a special meeting to double the board of directors to 10 members. If the group – which controls a 6.2 percent stake in the company – gets investors with 40 percent of the outstanding stock, the meeting will called.

Leading the charge is former Pinnacle Entertainment CEO Daniel Lee, who wants one of the board seats. Pinnacle is the parent company of Belterra Casino Resort & Spa in Florence, Ind. and Belterra Park in Anderson Township.

"This board has failed stockholders in our view," Lee wrote in the letter to shareholders. "It is time for stockholders to put in place a board that will work diligently to fix the damage, repair and grow the company's existing properties, and earnestly consider the Company's strategic alternatives. More of the same is simply not an option that Full House stockholders can afford."

Full House officials did not return calls seeking comment.

Rising Star Casino Resort in Rising Sun is Full House's largest casino property, generating nearly half the company's $144.7 million in revenue last year. The company also owns one casino each in Nevada and Mississippi and manages a fourth in Nevada.

The investment group criticizes Full House engaging in a "reckless buying binge" that paid too much for three struggling casinos, including Rising Star, and building two hotel additions, including one at the Southeast Indiana casino.

The group said Full House is poorly run having racked up $65.2 million in debt, where it was debt-free in 2010. It has also breached debt covenants in the last two quarters.

The investors noted Full House lost almost $2 million in an aborted attempt to buy a casino in Tunica, Mississippi. The company also considered issuing more stock to raise money that would have diluted existing shareholders' investment.

The group also said Full House's executive team, including CEO Andre Hilliou, who makes nearly $1 million a year, are overpaid.

Formerly the Grand Victoria Casino & Resort, Rising Star was bought and renamed by Full House in 2011 for $43 million. Since then, Full House invested $8 million to add a second hotel on the property with 104 rooms.

Opened in 1996 as the Cincinnati region's first casino, Rising Star has seen its fortunes decline as the region added several gambling venues closer to Hamilton County. In its heyday, the casino raked in nearly $163 million in gambling revenue in 1998, but last year generated $65 million.

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