

Choctaws reopen second casino

Written by Administrator

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The Golden Moon Hotel and Casino(Photo: THE CLARION-LEDGER)

PHILADELPHIA – The Mississippi Band of Choctaw Indians is reopening its Golden Moon casino full-time, following a \$70 million-plus renovation.

The 10,000-member tribe cut the ribbon on its second casino Saturday, in a push to recapture gamblers and fight competition from three gambling halls in Alabama run by the Poarch Band of Creek Indians.

“We really did need to stay competitive and relevant with the gaming facilities that have opened up both in south Mississippi on the coast, as well as in Alabama,” Pearl River Resort CEO Holly Gagnon said in a phone interview Thursday.

The Choctaws cut Golden Moon back to weekends-only in 2009, hit by the recession and competition. In 2010, the tribe closed Golden Moon altogether, replacing slot machines and poker tables with a concert venue. Silver Star, the original Choctaw casino opened in 1994, remained in operation. The gambling halls sit across Mississippi 16 from each other, just west of Philadelphia.

The Choctaws hope the second casino will spur gamblers to stay longer, not only pumping more cash into slot machines, but enjoying the Pearl River Resort’s other amenities.

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“If you want to change your luck, you just walk across the sky bridge,” Gagnon said.

Gagnon said some employees are being reassigned as part of the Golden Moon’s reopening but said the resort is hiring about 100 more people. The operation fluctuates between 2,400 and 3,000 employees, peaking in summer when a water park is open and golf courses are more heavily used. More than 40 percent of employees are tribe members.

The operation refinanced its debt last year, borrowing another \$75 million for renovations. Moody’s Investors Service, which upgraded some ratings on the debt, said the refinancing lowered the interest rate and made borrowing terms more flexible.

Like Mississippi’s non-Indian casino market, revenue has fallen at the Silver Star, though the Choctaws won’t say by how much. But since Gagnon and other managers took over in mid-2012, Moody’s said casino profitability has improved. Gagnon attributes the improvements to a range of tactics — “better marketing, better negotiating, better operating.”

Still hanging over the casino is an FBI investigation that tribal authorities have said is examining outside vendors. But the reopening is meant to push back against the competition from Alabama, a key market for the Choctaws.

One part of the appeal is that the tribe runs full-fledged casinos, unlike in Alabama, where there are no table games and slot-like machines actually run bingo-based programs. The other pitch is the freshened look, including a video arch at the Golden Moon and the promise of the newest slot machines. The casinos have also renovated their 1,074 hotel rooms.

Gagnon said the reopening shows the Choctaws have regained their footing. “We hope to recapture customers that left us with the Golden Moon’s closing in 2009.”

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