

Taj Mahal Casino out of Bankruptcy, Into Icahn's Hands

Written by Administrator
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The name on the side of the building still says "Trump," but Atlantic City's Taj Mahal casino is now owned by a different billionaire — [Carl Icahn](#) .

The Trump Taj Mahal casino emerged from bankruptcy Friday and was taken over by Icahn, the billionaire investor who now owns two of the city's largest casinos. (He also owns Atlantic City's Tropicana casino).

Trump Entertainment Resorts exited from Chapter 11 protection and became a wholly owned subsidiary of Icahn Enterprises LP.

The move also extinguished the last remaining 10 percent ownership stake of Republican presidential candidate [Donald Trump](#) in the casino company, even though the Trump Taj Mahal will continue to bear his name.

Trump had not owned or had anything to do with the casino company since 2009 aside from the 10 percent stake in return for the use of his name.

"The Taj is one of Atlantic City's signature properties," said Icahn, who acquired the Tropicana in a similar fashion from bankruptcy court by buying up its debt at a steep discount, and eventually taking it over.

"Although both Atlantic City and the Taj have had a few tough years, today marks the beginning of the turnaround," he said. "Just a few years ago Tropicana was in bankruptcy and its fate uncertain, but since emerging in 2010, we have turned that property around and it has become one of Atlantic City's few success stories. I am confident we can and will do the same for the Taj."

Icahn has been keeping the casino afloat since it filed for bankruptcy in Sept. 2014. He recently won a key court ruling upholding the company's elimination of health insurance and pension benefits for unionized workers.

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Icahn had promised to withdraw financial support for the Taj Mahal if the union succeeded in restoring worker benefits that he considers unaffordable.

Bob McDevitt, president of Local 54 of the Unite-HERE casino workers union, has been locked in a bitter battle with Icahn over the Taj takeover that has seen both men criticize each other in unusually personal terms. The union leader called Icahn "a malignancy that needs to be cut out," while Icahn likened McDevitt to a mobster running an extortion racket.

McDevitt said the union has yet to reach a contract agreement with Icahn, but said talks are continuing slowly.

McDevitt said he has not yet seen the bankruptcy court's final order, but expressed hope that relations with the casino's new owner might improve now that Icahn officially owns it.

"Maybe now that Carl Icahn has full possession of the property, he'll start treating the workers the way you would if you have long-term interest in making the property successful," McDevitt said.

McDevitt has led nine public protests against Icahn's handling of the ownership transition of the Taj Mahal, including being arrested for blocking traffic on the Atlantic City Expressway by sitting down in the roadway.

Trump Entertainment's Chief Gaming Executive, Mike Mellon, said, "The company and its employees are excited to have weathered through these tough times and look forward to the return of Trump Taj Mahal to its prominent position in the Atlantic City market."

The casino repeatedly came close to closing since 2014, and ranked seventh out of Atlantic City's eight casinos last year in terms of gambling revenue. The \$180.2 million it won last year was down 16.5 percent from 2014.

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