



December 14, 2009

Racinos should plan for the future, not whine

It was an honorable thing for the owner and officials at Delaware Park not to take the time to comment on recent complaints from the state's other two racinos that they aren't making as much money because of the higher assessment the Legislature placed on revenues earlier this year. After all, owner William Rickman is also owner of Ocean Downs near Ocean City, Md., one of only a handful of Maryland racetracks already approved to start operating slot machines. And Delaware Park is a private company and doesn't have to answer to stockholders.

But that isn't the case with the financial officers from Harrington Raceway & Casino and Dover Downs who last week took the time to whine and moan about how the state's larger percentage of gambling revenues was cutting into their profit margin. Funny thing. We don't see a huge public response of sympathy. If anything, the state's new take-home from the hundreds of millions earned at the racinos has helped ease the burden on state taxpayers in these troubling economic times.

As best as we can determine from the enabling legislation, there is no requirement that Delaware racetracks offer slot machines. Harrington board members actually came close to not authorizing it during State Fair week.

So if Harrington Raceway & Casino and Dover Downs find the public share of their revenue so disturbing, there are plenty of other operators waiting to get into the slots business. And even more for the upcoming table game products expected next spring.

Granted, the unexpected ruling on sports betting put a big dent in the projected revenues of the casinos. But again, no one held a gun to their heads to spend millions in renovating venues to accommodate sports betting.

As state House Majority Leader Pete Schwartzkopf told business reporter Aaron Nathans on the state's new revenue cut, "a deal is a deal."

Racino officials, at least from the two in Kent County, are saying they will press for negotiations to rework the state's share. With at least two other venues wanting to become part of the Delaware gambling establishment, that might be a bad idea.

Instead of complaining about taxpayers' interest in their profits, the racinos should be aiming at upgrading facilities to compete with new venues in Maryland.