

## Determination

### **SkyCity Entertainment Group Limited and Otago Casinos Limited [2013] NZCC 11**

**The Commission:** Dr Mark Berry  
Dr Stephen Gale  
Anita Mazzoleni

**Summary of application:** An application from SkyCity Entertainment Group Limited to acquire 100% of the shares in Otago Casinos Limited

**Determination:** Under s 66(3)(a) of the Commerce Act 1986, the Commission determines to give clearance to the proposed merger

**Date of determination:** 16 July 2013

Confidential material in the public version of this report has been removed. Its location in the document is denoted by [ ].

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## The proposal

1. A notice under s 66(1) of the Commerce Act 1986 (the Act) was registered on 21 May 2013. The notice seeks clearance for SkyCity Entertainment Group Ltd (SkyCity or the Applicant) to acquire 100% of the shares in Otago Casinos Ltd (OCL).

## Procedure

2. Section 66(3) of the Act requires the Commerce Commission (the Commission) to either clear or decline such a notice.

## Statutory and analytical framework

3. Any person who proposes to acquire the assets or shares of a business, and considers that the merger may breach s 47 of the Act, can apply for clearance under s 66.
4. If the Commission is satisfied under s 66(3)(a) of the Act that the proposed merger will not have, or would not be likely to have, the effect of substantially lessening competition in a market, the Commission must give clearance for the proposed merger.
5. If the Commission is not satisfied that the proposed merger will not have, or would not be likely to have, the effect of substantially lessening competition in a market, it must decline the application under s 66(3)(b) of the Act.<sup>1</sup>
6. The Commission's analytical framework for assessing whether a merger is likely to result in a substantial lessening of competition is described in its Mergers and Acquisitions Guidelines.<sup>2</sup>

## The parties and background

7. SkyCity is publicly owned; it operates three casinos in New Zealand – Auckland, Hamilton, and Queenstown – and two in Australia – Adelaide and Darwin.
8. OCL is owned by Lasseters Ltd whose ultimate parent is a listed Singaporean company. The Lasseters group operates OCL in Queenstown and another casino in Alice Springs, Australia.
9. The final two (of the six) New Zealand casinos are located in Christchurch and Dunedin. Both of those casinos are operated by the privately owned, Skyline Enterprises Ltd.<sup>3</sup>
10. Uniquely in New Zealand, Queenstown has two casinos. Those two casinos are small operations by comparison with other New Zealand casinos.

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<sup>1</sup> *Commerce Commission v Woolworths Ltd* (2008) 12 TCLR 194 (CA) at [98].

<sup>2</sup> Commerce Commission, *Mergers and Acquisitions Guidelines*, 2013.

<sup>3</sup> In the case of the Dunedin casino, there are also private individuals who are part owners.

- 10.1 SkyCity Queenstown (SCQ) has 12 gaming tables (of which four are in a 'high rollers' room, separate from the general gambling area) and 86 gambling machines (known colloquially as 'pokies' or 'slots').
- 10.2 OCL's Wharf Casino has six gaming tables and 74 gambling machines. OCL does not cater to high rollers in any special manner.
- 10.3 Both casinos have a restaurant associated with them.
11. During the last financial year SCQ had an EBITDA of about [ ] on revenues of [ ]. Lasseters informed us that [ ] since its commencement of operations in 2000. Lasseters also informed us that it has invested [ ]

### Casino regulation in New Zealand

12. Casino operations are strictly regulated by the Gambling Commission and the Department of Internal Affairs. The Gambling Act 2003 and associated regulations provide the following.
- 12.1 No further casino licences can be issued in New Zealand.
- 12.2 Current casino licences cannot be altered in a manner that would encourage growth of gambling opportunities. This means that the number of gambling tables or machines cannot be increased.
- 12.3 The location of a casino cannot be changed.<sup>4</sup>
- 12.4 The rules of table games are gazetted by the Gambling Commission and the same rules apply to all of New Zealand's casinos. The rules may not be varied without the Gambling Commission's consent. This means the potential returns to gamblers from all table games are fixed by these rules and apply equally to any New Zealand casino.<sup>5</sup>
- 12.5 The minimum payout from any gambling machine in New Zealand is regulated at 87%.<sup>6</sup> However, casino operators may choose to provide higher returns to gamblers.
- 12.6 Casino licences include some restrictions on the marketing of gambling at individual casinos.
- 12.6.1 For example, the Queenstown casinos are prohibited from specifically targeting local consumers by advertising their gaming facilities.<sup>7</sup>

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<sup>4</sup> [ ]

<sup>5</sup> For example, roulette with a single zero has a common 'house hold' of 2.7% of turnover (and twice that if there are two zeros on the wheel).

<sup>6</sup> That is, a game must have a theoretical/estimated statistical expectation that the minimum long term player return from the game will be greater than or equal to 87%.

12.6.2 Nor are casinos (or other gambling machine operators) permitted to advertise jackpots on the machines away from the casino premises or in their general branding.

12.6.3 In addition to these advertising restrictions under the Gambling Act, there are additional general restrictions placed on casino advertising by the Advertising Standards Authority.

## Relevant markets

13. The Commission has previously considered casino mergers in 1999 and 2004. In the 2004 decision,<sup>8</sup> we adopted:
  - 13.1 local markets for casino entertainment for ordinary gamblers (that is, non-premium high-roller type gamblers); and
  - 13.2 a national market for casino entertainment for premium gamblers.<sup>9</sup>
14. SkyCity in its application did not submit that the Commission should revisit these markets.
15. SkyCity noted that OCL does not participate in the premium gambler market. However, this market remains relevant to this case as (international) competition for premium gamblers may provide a constraint in the market for ordinary gamblers if casinos are unable to discriminate between customers in respect of some aspects of service (building amenities and décor, food and beverage, entertainment). The implications of this potential lack of ability to discriminate are discussed further in the competition analysis below.
16. In respect of the product dimension, there is likely to be some constraint from other gambling and entertainment options. Other gambling options include:
  - 16.1 the rise of on-line casino type gambling since 2004,<sup>10</sup> although SkyCity advised that online gambling may be more of a complement than a substitute to casino gambling for most customers;<sup>11</sup> and

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<sup>7</sup> The strictness of casino regulation can be seen in examples whereby SCQ was required to obtain Gambling Commission approval to paint its high roller room or to display an advertising placard showing its restaurant menu.

<sup>8</sup> SkyCity Entertainment Group Limited and Aspinall (NZ) Limited (Commerce Commission Decision 523, 18 May 2004).

<sup>9</sup> SkyCity advised that “premium gambler” (or high-roller), includes any player who lives outside New Zealand and provides a minimum of \$5,000 up front gambling money. This type of gambler is not limited to gambling within New Zealand. Therefore, while a national market is appropriate, the Commission notes a degree of competition from offshore casinos in Australia, South East Asia and the United States.

<sup>10</sup> An internal SkyCity document, ‘Gaming Technology Developments’ noted that online gambling has increased from about 5% to 9% of total global gambling between 2004 and 2013.

<sup>11</sup> Gamblers are able to learn the rules and techniques of table games online, and are then better able to gamble at casinos.

- 16.2 gaming machines in local pubs and clubs, which, while they provide a different type of overall entertainment service than casinos, are an option, especially for local gamblers.
17. SkyCity submitted that the major constraint on it post-merger would be 'non-consumption'. Non-consumption for a casino would essentially reflect consumers taking up other forms of entertainment.
18. The Commission considers that, for the purposes of this analysis, other gambling and other entertainment options are outside the relevant market. However, the Commission notes that other gambling and entertainment options would provide some constraint, particularly for certain customers, as discussed further below..

## Likely scenarios with and without the merger

### Without the merger

19. Lasseters' head office management advised the following.

19.1 [

19.2

19.3

]

20. SkyCity advised that it was unlikely that another international casino operator from Australia or Asia would be interested in such a small operation as OCL. International casino operators are involved in casino developments in the billion dollar price range with hundreds of tables, a long way from the [ ] sale price, six table operation of OCL. SkyCity stated that OCL would not appear 'on any international operator's radar'.
21. In the Commission's view, the status quo scenario is likely to apply without the merger.

### With the merger

22. If the merger proceeds, SkyCity informed us that it would invest in new gambling machines at OCL, new gaming monitoring software for OCL, and improve the décor of the OCL casino to bring it up to the standard of SCQ and its other casinos. SkyCity

considers that these investments would increase the level of patronage<sup>12</sup> and  
[ ]

23. SkyCity considers that significant efficiencies would arise from the merger. These include reduced overheads, the flexibility to move floor staff between each location, scale in purchasing new gambling machines and increased access to members of SkyCity's larger loyalty programme. SkyCity has projected that, with the additional returns on its investments and its ability to drive efficiencies, profits from OCL would be about [ ] in 2013/14.
24. SkyCity has advised that given the conditions of the OCL licence and the terms of the lease of OCL's premises, it would not be able to cease operating that casino.
25. Therefore, the Commission considers that with the merger SkyCity would operate both of Queenstown's casinos.

### **Competition assessment**

26. The Commission's analysis compares the state of competition with and without the merger. The potential impacts from the merger on both price and non-price aspects of competition are analysed below.

#### **Competition to provide better odds for ordinary gamblers**

27. Due to the unique nature of the environment in which casinos operate, the Commission considers that the removal of a second casino operator in Queenstown is unlikely to lead to a substantial lessening in price competition.

#### *Returns on table games*

28. This is in part because returns to gamblers from table games are determined by the rules of the individual games, approved by the Gambling Commission. These rules are identical throughout all casinos in New Zealand. Therefore, there is little scope for competition on returns to gamblers from table games. The exceptions, where some competition may be possible are as follows.
  - 28.1 Roulette, where tables can have one zero or two zeros.<sup>13</sup> Casino operators generally use double zero roulette games as a method of recovering costs on low stake games, which account for only a small proportion of roulette gaming.<sup>14</sup>
  - 28.2 Progressive jackpots on Caribbean Stud Poker, where casino operators can determine what proportion of wagers go into the jackpot pool. However,

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<sup>12</sup> SkyCity advised that a strategy to increase patronage numbers at OCL would involve encouraging existing customers to stay longer, spend more and to come back more often.

<sup>13</sup> As noted earlier, having two zeros on a roulette table essentially doubles the hold percentage for the house.

<sup>14</sup> Currently only SkyCity's Auckland casino offers customers the option of double zero tables for its low stake games (such as \$2.50 minimum bets). SkyCity Queenstown and SkyCity Hamilton do not currently offer double zero tables.



SkyCity contributes the same proportion of wagers to the jackpot pool across all its New Zealand casinos.<sup>15</sup>

- 28.3 Poker games, where casino operators can determine their commission.<sup>16</sup> All SkyCity casinos charge the same percentage commission, although the maximum commission amounts can and do vary.<sup>17</sup> Poker games account for a very small proportion of revenues in the casino entertainment market in Queenstown. For instance, OCL offers a poker game only on Thursday nights at 9.30pm provided that there is a minimum of four players interested.
- 28.4 Poker tournaments, where a casino operator can determine the players' entry fee. SCQ operates only one annual poker tournament for which it earns [ ] as an administration fee. OCL does not currently host a poker tournament.

#### *Returns on gaming machines*

29. Similarly, gambling machines are required by regulation to pay out a minimum of 87% back to customers. As noted above, this percentage can be increased by the casino operator. Theoretically, a casino operator could compete with other casinos by using higher percentage returns on its gambling machines.
30. SCQ informed us that it does not take account of OCL's gambling machine settings at all. Rather it initially relies on the machine's manufacturer's recommendation as to profit maximising percentage return. If it finds that a machine is not generating sufficient revenue, SCQ may increase the percentage return figure in an attempt to attract more gambling on the particular machine.
31. If a second casino in a city led to substantially increased price competition, we would expect that to manifest itself in higher returns to gambling machine players; that is, the Commission would have expected to see higher amounts returned to gamblers in SCQ than at the other two monopoly SkyCity casinos in Auckland and Hamilton.
32. However, the empirical evidence shows that the proportion of gambling machine turnover returned to gamblers are approximately the same across all casinos. That is, the average payout does not appear to differ according to the number of casinos in an area or their relative size.

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<sup>15</sup> These proportions being 27.8% for the major jackpot and a further 6% to seed the major jackpot as approved by the Secretary of the Department of Internal Affairs in 2007.

<sup>16</sup> Also known as the rake.

<sup>17</sup> SkyCity Hamilton takes 10% per pot up to a maximum of \$15, SkyCity Queenstown generally takes 10% per pot up to a maximum of \$10, and SkyCity Auckland generally takes 10% per pot up to a maximum of \$12 for lower-limit poker games, 10% per pot up to a maximum of \$15 for mid-limit poker games and a \$35 per player per hour time charge for higher-limit poker games.

**Table 1: Proportion of gambling machine turnover retained by gamblers**

Casino	% retained in 2011	% retained in 2012
SkyCity Auckland	[ ]%	[ ]%
SkyCity Hamilton	[ ]%	[ ]%
SkyCity Queenstown	[ ]%	[ ]%
OCL Wharf Casino	[ ]%	[ ]%

33. Gaming machines are also available in other non-casino venues, such as pubs and clubs. There are six gaming venues in such establishments in the Queenstown area. Gaming machines customers therefore have other options at which to gamble. SkyCity advised that it is most likely local gamblers who would also gamble at these types of venues.

#### *Conclusion*

34. This evidence suggests that the removal of a second casino operator through the merger would not substantially lessen competition in respect of price. This is due to the constraints that would remain on SkyCity from regulation and from other gaming machine options (at pubs and clubs).

#### **Competition in respect of non-price effects on ordinary gamblers**

35. In regard to non-price competition the evidence suggests that the Queenstown casinos are likely constrained by other factors, rather than just the competition between the two local casinos. The Commission, therefore, considers that the removal of competition between SCQ and OCL is unlikely to substantially lessen non-price aspects of competition in the Queenstown casino market.
36. The Commission now analyses the constraints that would remain in the market post-merger.

#### *Constraint from regulation on non-price aspects*

37. As noted earlier, casino licences include some restrictions on the marketing of gambling at individual casinos. The Queenstown casinos are prohibited from specifically targeting local consumers by advertising their gaming facilities.<sup>18</sup> In addition, casinos (or other gambling machine operators) are not permitted to advertise jackpots on the machines away from the casino premises or in their general branding.
38. While casinos can market themselves in various ways, the degree of regulation that exists is likely to curtail their ability to differentiate themselves to some degree.

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<sup>18</sup> See above n 7.

*Competition from outside the market*

39. As noted earlier, other gambling and entertainment options also likely constrain casinos.
40. SkyCity stated in its application that it cannot 'ignore that it is competing against non-consumption and the pricing/service levels in the hospitality industry that surrounds it'. SCQ and OCL are primarily tourist casinos, and thus the casinos compete for the tourists' entertainment dollars. Other entertainment options in and around Queenstown are therefore likely to constrain casinos.
41. In particular, as noted earlier, there are also numerous other gambling options available. This includes gaming machines in pubs and clubs, which offer an alternative to both a 'night's entertainment' and for gambling in casinos. These other gaming machines are likely to constrain non-price aspects of casino offerings, as well as the pay-outs discussed above.

*Competition for providing casino entertainment for premium gamblers*

42. As noted above, because OCL does not provide services to premium gamblers there would be no loss of competition in this market. However, as also noted above, competition in the market for premium gamblers may also insulate ordinary gamblers from any prospective lessening of non-price competition.
43. SkyCity advised that it attracts premium gamblers from Asia to its New Zealand casinos by providing a variety of services (for example, travel, accommodation, concierge services). These gamblers have the choice of gambling in many other locations in the Asia/Pacific region. Therefore, in respect of the market for premium gamblers, SkyCity's intention is to better position its Queenstown casino, so it can compete against other casinos in New Zealand and overseas.
44. While casinos can to some extent discriminate across premium and ordinary gamblers (for instance, different promotions or complimentary travel and accommodation), they are unable to do so on many service aspects, including building amenities and décor, food and beverage options and entertainment. Also, having low standards for the ordinary gamblers may impact the overall prestige of the casino which may in turn affect demand by premium gamblers.
45. This means that ordinary gamblers are likely to benefit from SkyCity's attempts to win premium gamblers, by SkyCity investing in non-price attributes of its service.

*What impact do these constraints have on non-price competition?*

46. Non-price aspects of competition between casinos include loyalty reward schemes; gaming promotions; entertainment and other events; and other service components, such as staffing and building amenities and décor. These aspects of competition are compared below.
47. The evidence below indicates that non-price offerings are similar across New Zealand, regardless of whether there are one or two casinos in a city, suggesting that

the other constraints are a driving factor in competition, rather than just the competition between local casinos.

### *Loyalty reward schemes*

48. Each casino offers its own loyalty reward scheme. Customers earn points from gambling,<sup>19</sup> and these points can be redeemed for gambling and on-site purchases. Members are also eligible for a number of other benefits.
49. The Commission has compared the loyalty membership benefits offered by SkyCity at its monopoly casinos in Auckland and Hamilton with SCQ where SkyCity and OCL could ostensibly compete to attract gamblers by such benefits (Attachment 1).
50. If SCQ and OCL imposed a marginal competitive constraint on each other's loyalty offerings, the Commission would have expected SkyCity to provide more, or more valuable loyalty benefits at SCQ than at the two SkyCity casinos in Auckland and Hamilton where gamblers have no choice of casino.
51. In fact, the loyalty benefits SkyCity provides gamblers are greater at SkyCity's casinos in Auckland and Hamilton than in Queenstown.

### *Gaming promotions*

52. SCQ and OCL both offer promotions in an attempt to attract gamblers to their particular casino. The Commission notes that promotions appear to be targeted primarily at loyalty reward members and, as can be seen in Table 2 below, this makes up a relatively small proportion of SCQ's business.

**Table 2: SkyCity proportion of loyalty card holders, 2012**

	<b>SkyCity Queenstown</b>	<b>SkyCity Hamilton</b>	<b>SkyCity Auckland</b>
<b>Total gaming floor visitors</b>	[ ]	[ ]	[ ]
<b>Loyalty card visitors</b>	[ ]	[ ]	[ ]
<b>Loyalty card visit / total visits</b>	[ ]%	[ ]%	[ ]%

53. The Commission has considered the various promotions run in June 2013 by SkyCity at its monopoly casinos in Auckland and Hamilton and compared those with SCQ to assess whether OCL provides a substantial incremental constraint on SCQ (Attachment 2).
54. However, as with loyalty benefits, it appears that the amount and value of promotions for gamblers are greater at SkyCity's casinos in Auckland and Hamilton where gamblers have no choice of casino. That said, it is difficult to disentangle the impact of competition, with other factors such as economies of scale and size of the market.

<sup>19</sup> SkyCity reward customers can use their membership in any SkyCity casino and have the same point accrual rates across each casino.

*Entertainment and other events*

55. OCL does not provide entertainment to its patrons, whereas SCQ regularly hosts bands, pub quizzes, comedy nights and other entertainment events. These events are likely to drive increased patronage of SCQ's gaming business and its food and beverage business.<sup>20</sup>
56. Both casinos have the capacity to host poker tournaments, but as noted above, SCQ is the only one that currently hosts an annual tournament in conjunction with pokerstars.net.

*Other service components, such as building amenities and décor*

57. SkyCity has also noted that as it is a national brand it maintains levels of service, amenities and décor at SCQ on the basis of the standards at its other casinos and not as a result of these factors, good or bad, at OCL.
58. In fact, at present, SCQ is currently significantly better appointed and maintained than OCL, including its additional facilities such as lounge areas and entertainment areas.

*Conclusion on non-price effects*

59. The above evidence suggests that the removal of existing competition is unlikely to materially impact on other such service components in the future.
60. Industry regulation precludes casinos from competing on most aspects of price. For those aspects that they could potentially compete on, such as increased gaming machine payouts, there is no evidence to suggest that a second casino is material in driving the level of payouts from gaming machines. That is, SkyCity and OCL have similar pay-outs compared to other casinos in New Zealand.
61. The aspects of non-price competition include loyalty and promotion programmes, service levels, and general amenities including entertainment, and the provision of food and beverages. The Commission found no evidence to suggest that the removal of competition between Queenstown casinos will materially impact these non-price factors in the market.
62. In this respect, the Commission has noted that the amenities at OCL appear to be inferior to those at SCQ. If SkyCity brings OCL into line with its other casinos, there is the potential for product enhancement as a result of the merger.
63. The Commission also considers that there is likely to be a degree of constraint from outside the local market from:
- 63.1 national and international casinos competing for premium gamblers, which also benefits ordinary gamblers as SCQ cannot perfectly discriminate between the two customer groups;

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<sup>20</sup> Similarly, SkyCity hosts numerous entertainment events at its Auckland and Hamilton casinos.

- 63.2 other forms of gambling; and
- 63.3 other forms of entertainment in Queenstown, particularly for tourists interested in an evening's entertainment.
64. Therefore, when the Commission compares the state of competition with the merger to the state of competition without the proposed merger, the Commission concludes that there is likely to be no substantial difference in competition as a result.
65. Accordingly, the Commission is satisfied that the proposed merger will not have, or would not be likely to have, the effect of substantially lessening competition in the two relevant gambling markets.

### **Determination on notice of clearance**

66. The Commission is satisfied that the proposed merger will not have, or would not be likely to have, the effect of substantially lessening competition in the relevant markets.
67. Under s 66(3)(a) of the Commerce Act 1986, the Commission gives clearance to SkyCity Entertainment Group Limited to acquire 100% of the shares in Otago Casinos Limited.

Dated this 16<sup>th</sup> day of July 2013

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Dr Mark Berry  
Chairman

## Attachment 1: Summary of loyalty schemes benefits at SkyCity's casinos

Tier	Auckland	Hamilton	Queenstown	Common benefits
<b>Ruby (no min. point requirement)</b>	<ul style="list-style-type: none"> <li>The ability to earn free car parking</li> <li>Earn three free drinks a day</li> <li>5% Sky Tower admission discount</li> <li>5% SKYCITY Gift Shop discount</li> <li>5% SKYCITY hotel room rate discount</li> <li>A birthday present of 500 Premier Points</li> </ul>	<ul style="list-style-type: none"> <li>Earn free parking</li> <li>Free tea, filter coffee and soft drink</li> <li>Free bowling at The Bowlevard</li> <li>20% off food items at SKYCITY Hamilton restaurants, bars and cafes</li> </ul>	<ul style="list-style-type: none"> <li>10% food and beverage discount for member and one guest</li> </ul>	<ul style="list-style-type: none"> <li>Spend your Premier Points across site</li> <li>Exclusive prize draws and promotions</li> </ul>
<b>Sapphire</b>	<ul style="list-style-type: none"> <li>The ability to earn free car parking</li> <li>Earn four free drinks per day</li> <li>10% Sky Tower admission discount</li> <li>10% SKYCITY Gift Shop discount</li> <li>10% SKYCITY hotel room rate discount</li> </ul>	<ul style="list-style-type: none"> <li>Earn free parking</li> <li>Free tea, filter coffee and soft drink</li> <li>Free bowling at The Bowlevard</li> <li>20% off food items at SKYCITY Hamilton restaurants, bars and cafes</li> <li>10% SKYCITY Auckland hotels room rate discount</li> </ul>	<ul style="list-style-type: none"> <li>15% food and beverage discount</li> </ul>	<ul style="list-style-type: none"> <li>A birthday present of 1,500 Premier Points</li> <li>Spend your Premier Points across site</li> <li>Exclusive prize draws and promotions</li> </ul>
<b>Gold</b>	<ul style="list-style-type: none"> <li>Free car parking</li> <li>A dedicated Gaming Machine room – the Diamond Room</li> <li>Earn five free drinks per day</li> <li>Free Sky Tower admission</li> <li>15% SKYCITY Gift Shop discount</li> <li>15% SKYCITY hotel room rate discount</li> </ul>	<ul style="list-style-type: none"> <li>Free parking</li> <li>Free tea, filter coffee and soft drink</li> <li>Free bowling at The Bowlevard</li> <li>20% off food items at SKYCITY Hamilton restaurants, bars and cafes</li> <li>1 free night's accommodation at Ibis Hamilton per year</li> <li>15% SKYCITY Auckland hotels room rate discount</li> </ul>	<ul style="list-style-type: none"> <li>20% food and beverage discount</li> <li>Complimentary house drinks while gaming</li> <li>Invites to exclusive events</li> </ul>	<ul style="list-style-type: none"> <li>The ability to earn Premier Points faster</li> <li>A birthday present of 2,500 Premier Points</li> <li>Spend your Premier Points across site</li> </ul>
<b>Platinum (30,000+ points + invitation)</b>	<ul style="list-style-type: none"> <li>Access to Platinum Room</li> <li>Free car parking</li> <li>Free beverages</li> <li>Free Sky Tower admission</li> <li>20% SKYCITY Gift Shop discount</li> <li>20% SKYCITY hotel room rate discount</li> <li>Dedicated in-room Hosts</li> <li>Priority queue for hotels and restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Free parking</li> <li>Free drinks</li> <li>Free bowling at The Bowlevard</li> <li>20% off food items at SKYCITY Hamilton restaurants, bars and cafes</li> <li>1 free night's accommodation at Ibis Hamilton per year</li> <li>20% SKYCITY Auckland hotels room rate discount and priority queue</li> <li>Invites to exclusive events</li> </ul>	<ul style="list-style-type: none"> <li>30% food and beverage discount</li> <li>Free drinks for member and one guest</li> <li>Access to EIGHT and the Platinum Room when gaming at SKYCITY Auckland</li> </ul>	<ul style="list-style-type: none"> <li>The ability to earn Premier Points faster</li> <li>A birthday present of 10,000 Premier Points</li> <li>Spend your Premier Points across site</li> <li>Exclusive prize draws and promotions</li> </ul>
<b>VIP Black</b>	<ul style="list-style-type: none"> <li>Invite only</li> </ul>	<ul style="list-style-type: none"> <li>Invite only</li> </ul>		

## Attachment 2: Summary of promotions at SkyCity's casinos

	SkyCity Queenstown	SkyCity Hamilton	SkyCity Auckland
<b>All Premier Rewards customers</b>	<p>Reward Nights – Fortnightly with \$1,200 in prizes</p> <p>Wednesday Sweepstake – prize draw of \$1,000</p> <p>Winter Snowball - prize draw of \$1,000</p> <p>Newsletter cash draw - \$1,000 drawn on 20 June</p>	<p>'Spin to win' – three winners per prize draw, rising to \$20,000 grand prize winner at end of month.</p> <p>Giveaway draws – 100 'Blunt' umbrellas and 90 vacuum cleaners on Friday 21 June.</p>	<p>Wednesday Sweepstake – starts at \$50,000 and increases by \$10,000 if not won.</p> <p>Friday Tower of Cash – starts at \$20,000 and increases by \$10,000 if not won.</p> <p>The Big Birthday Surprise – 200 prizes each Sunday in June.</p> <p>Gaming machines – a number of promotions including gifts of bonus dollars, random additional \$250 prizes and bonus pay amounts.</p> <p>Table game promotions including birthday prize draws, prize draws in the Baccarat Room, pick a pair for up to \$25,000 and other events and draws.</p>
<b>Premier Reward customers: Gold and higher</b>		<p>Macau Thursdays – five prize draws up to \$1,000.</p> <p>Chinatown on Sundays – prizes of \$1,000 and 5,000</p>	<p>Birthday gift for selected Gold, Platinum and VIP customers</p> <p>\$20,000 Gold level exclusive draw if play gaming machines</p> <p>\$75,000 Platinum level draw if play gaming machines</p>
<b>All customers</b>		<p>Bingo promotions – varying from free games to prizes draws of \$500 and jackpots of \$2,000</p>	<p>Walk in and Win? - \$15,000 each Saturday</p> <p>Birthday Blowout - \$5,000 to \$10,000 bonus chips each giveaway Friday.</p> <p>X Factor competition for VIP final tickets.</p>