



Association of Gaming Equipment Manufacturers

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# **ASSOCIATION OF GAMING EQUIPMENT MANUFACTURERS (AGEM) ISSUES COMPREHENSIVE REPORT ON SLOT HOLD PERCENTAGES ACROSS U.S.**

Blended slot hold in key states increases 14.5 percent over 10 years with no material increase in win, and rising slot hold “very well may be contributing to (slot revenue) decline”

LAS VEGAS – The Association of Gaming Equipment Manufacturers (AGEM) announced today that it has issued a comprehensive report titled “Building Better Business – Assessing the impact of hold percentages on overall slot revenue” that reviews the impact of tightening hold percentages in key gaming states across the United States.

AGEM engaged respected Las Vegas-based firm Applied Analysis to assess a variety of factors impacting slot revenues and to focus on the states with published slot hold percentages and the corresponding revenue and report the results going as far back as 1990 from Colorado, Connecticut, Delaware, Florida, Illinois, Indiana, Iowa, Louisiana, Mississippi, Missouri, Nevada, New Jersey, Ohio, Pennsylvania, Rhode Island and South Dakota.

Among the report’s key contents:

- Blended hold percentage has increased 14.5 percent from 2004 to 2014 and slot revenue has increased 1.1 percent during the same period
- During the past decade (since 2004), 10 of out 12 states (83 percent) reported slot hold percentage increases
- During the past decade, seven out of 12 states (58 percent) reported slot win declines
- Slot win among the surveyed states reached a peak of \$26 billion in 2007 and finished at \$22 billion in 2014
- Blended slot hold hit a low of 5.96 percent in 1996 and hit an all-time high of 7.70 percent in 2014
- Iowa at 9.37 percent had the highest slot hold in 2014; Nevada at 6.40 percent the lowest
- New Jersey experienced the biggest slot-win decline from 2004-14, falling 47.3 percent
- Iowa showed the highest slot hold increase, tightening 32.9 percent from 2004-14
- Florida hold loosened by 9.2 percent from 2004-14 and revenue increased 153.8 percent during the same time period

Excerpts from the report’s overall conclusions include:

- “While economic conditions appear to be a material factor in slot performance trends, there may be other factors impacting the industry’s overall performance, most notably following the conclusion of the most recent recession. Consumer spending has improved in most major gaming markets throughout the United States in recent years, while gaming volumes continue to contract.”
- “While statistical correlations on a state-by-state basis vary due to any number of factors, the broader, aggregate trends would suggest a rising hold percentage has not translated into incremental gaming revenue for operators during the post-recession era. In fact, they very well may be contributing to its decline.”

In addition to the highlights from Applied Analysis’ complete research found by clicking [here](#), the AGEM report, accessible [here](#), includes previously published commentary on the slot hold topic from respected gaming industry experts and progressive thinkers such as Buddy Frank, Charlie Lombardo, Andrew Klebanow, Bruce Rowe, Roger Gros, Allon Englman, Steven M. Gallaway, Daniel Mitchell and Louis Ross.

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“While it is clear there are a wide variety of factors impacting gaming revenues, this report is important for both suppliers and operators and gives additional perspective on the effect of slot holds on the player experience,” said Marcus Prater, AGEM Executive Director. “It is understood that there is a delicate balance between giving players a fair entertainment value while maximizing revenues for casino operators. It is also important to note that the industry needs to consider all new ideas to stop the erosion of slot revenues in markets throughout the U.S. With that in mind, AGEM is committed to the idea of business development for its members, who in turn are committed to ensuring casino operators have the games and technology to attract and entertain their players.”

AGEM is a non-profit international trade association representing manufacturers and suppliers of electronic gaming devices, systems, table games, online technology, key components and support products and services for the gaming industry. AGEM works to further the interests of gaming equipment suppliers throughout the world. Through political action, regulatory influence, trade show partnerships, educational alliances, information dissemination and good corporate citizenship, the members of AGEM work together to create benefits for every company within the organization. Together, AGEM has assisted regulatory agencies and participated in the legislative process to solve problems and create a business environment where AGEM members can prosper while providing a strong level of support to education and responsible gaming initiatives. For more information, visit [www.AGEM.org](http://www.AGEM.org).

The current AGEM membership roster, 147 companies strong based in 21 countries, is a who’s who of the supplier segment of the global gaming industry: **AGEM Gold Members:** Ainsworth Game Technology, Aristocrat Technologies, Austrian Gaming Industries, Global Cash Access (GCA), International Game Technology (IGT), Intralot S.A., Konami Gaming, Sega Sammy Creation and Scientific Games. **AGEM Silver Members:** Action Gaming, AGS, Aruze Gaming America, Casino Technology, Crane Payment Innovations (CPI), Gaming Partners International (GPI), JCM Global, Merkur Gaming, Ortiz Gaming, Suzo-Happ Group, TCSJohnHuxley and Zitro. **AGEM Bronze Members:** Abbiati Casino Equipment, Alfastreet, Amatic Industries, Astro Corp., BetConstruct, Bingotimes Digital Technology, Boss Gaming, Cammegh Limited, CG Technology (CGT), Cole Kepro International, DEQ Systems, Euro Games Technology (EGT), FBM, Galaxy Gaming, Gamblit Gaming, Gaming Support, Glory Global Solutions, Gold Club, Grand Vision Gaming, Incredible Technologies, Inspired Gaming, Interblock USA, Intervision Gaming, ISMS, Iverson Gaming Systems, Jumbo Technology, Matsui Gaming Machine Co., Metronia, NanoTech Gaming, NYX Gaming Group, Patriot Gaming & Electronics, Quixant Ltd., Reel Games, Table Trac, UI Gaming, Wells-Gardner Technologies and Win Systems. **AGEM Associate Members:** 3M Touch Systems, Abbott Law Chartered, Advanced Gaming Associates, Adlink Technology, Advantech-Innocore, AMD, Arrow International, Asimex Global, Atrient, Axiomtek, British Group Interactive (BGI), Brown & Brown Insurance of Nevada, Camryn Industries, CardConnect, Carmanah Signs, Casino Enterprise Management, Catapult Global, Coloredge, Cooper Levenson, Cybertec Gaming Systems, Daktronics, Digital Instinct, DiTronics Financial Services, DynaGraphic Printing, Eilers Research, Elite Gaming Technology, Esterline Interface Technologies, Fantini Research, Fox Rothschild, G2 Game Design, GameAccount Network, Gaming Capital Group, Ganlot, Gary Platt Manufacturing, Gasser Chair Company, Genesis Interactive Technologies, GeoComply USA, Gill’s Printing & Color Graphics, Global Experience Specialists (GES), Global Gaming Group (G3), Greenberg Traurig, Hanco Technologies, House Advantage, Howard & Howard, Impact Display Solutions, Intel, IPS, Ipsos, James Industries, James Industry Research Group, JCS Technologies, Joingo, Jones Walker, KEY-BAK, Kontron, Lazcano Sámano, Leap Forward Gaming, Legacy Electronics, Lewis Brisbois Bisgaard & Smith, Lewis Roca Rothgerber, Lightstone Solutions, McGladrey LLP, Metalcraft, NanoLumens, Olsen Gaming / Spectronix, Outpost Creative, Portilla Ruy-Dfiaz y Aguilar, Proforma GPS, Quantum Gaming Concepts, Randstad Staffing, Regulatory Management Counselors (RMC), Robert Half Technology, Sanmina, SCA Gaming, Sightline Payments, Southwest Manufacturing Services, Spin Games, StylGame USA, Talent Associates, The Bright Group, Touch Dynamic, Tournament One, TOVIS, TransAct Technologies, Vantiv Gaming Solutions, Veridocs, Wells Fargo, Young Electric Sign Company (YESCO) and Zebra Technologies.

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