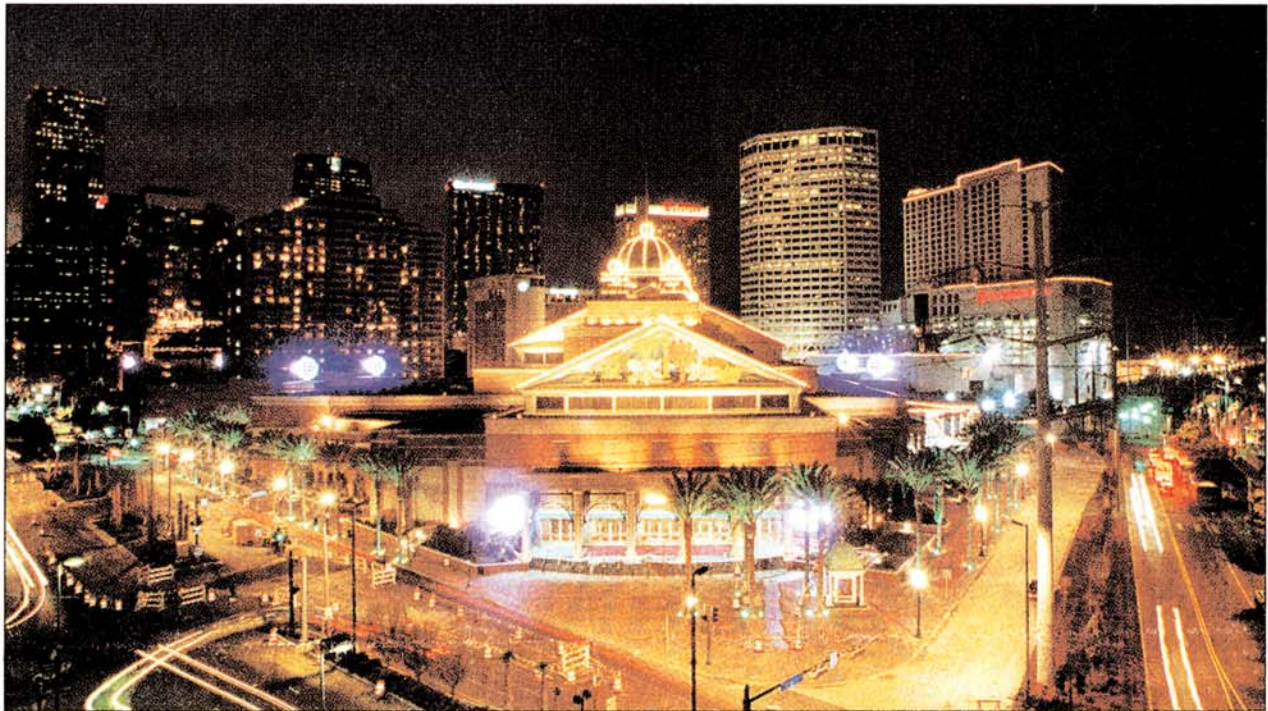


## BETTING THE HOUSE

HARRAH'S TRIES AGAIN IN NEW ORLEANS



STAFF PHOTOS BY TED JACKSON

Nearly four years after its first attempt ended in a spectacular bankruptcy, Harrah's will roll the dice again on Oct. 28, when it opens a glitzy \$381 million casino at the foot of Canal Street.



As Harrah's New Orleans Casino prepares to open Oct. 28, the casino's success rests on a simple ingredient: people, thousands of them each day, willing to spend enough to satisfy the project's huge hunger for cash.

Conservative estimates say the project will have to attract about 12,000 gamblers per day — as many as a mid-size citywide convention, or about as many as the total number of passengers who land at New Orleans International Airport on a given day.

Such attendance is critical to cover high operating costs. Off the top, the state gets a minimum annual tax payment of \$100 million, or \$273,972 per day — an extraordinary burden for a casino. Then there are salaries for 2,500 workers. And millions more to market a casino in a

By **Stewart Yerton**  
Business writer

downtown area that has not proven itself to be a popular gambling destination.

Just how much the casino needs to make its nut depends on whom you ask. One projection for the casino's first year places gambling revenue at \$347 million, or about \$950,000 a day. Analysts say the casino can stay afloat in the short term with \$250 million to \$310 million in annual gambling revenue, or about \$685,000 to \$850,000 per day. But even these more modest numbers dwarf the annualized revenue of \$160 million to \$180 million that the casino made in its

See **CASINO, A-19**

- ▶ An inside look at the casino, A-18
- ▶ Comparing casinos, A-19
- ▶ Why the house always wins, A-20

### NUMBERS GAME

To avoid repeating the failure of the temporary casino, Harrah's has to meet some tough marketing goals. This is a look at what Harrah's has to do each day to succeed.

### \$50-\$65

What the average gambler loses.

### \$700,000

The estimated minimum take to break even.

### 10,800-14,000

Gamblers the casino needs to attract — about the number of passengers who land at New Orleans airport each day.

