

Maybe the Fish at Revel Atlantic City is Revel itself

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Revel Atlantic City, a \$2.4 billion casino that opened on the boardwalk less than a year ago, could file for bankruptcy protection as soon as today, according to a report by the Wall Street Journal.

Though expected since at least February, the casino's likely bankruptcy could cost investors \$700 million, on top of the \$1.2 billion loss Morgan Stanley (NYSE: MS) has already taken on the project, the Journal said. Michael Garrity, the casino's developer, and Kevin DeSanctis, its CEO, are expected to move aside upon the filing, according to the report.

Private backers aren't the only ones with something riding on Revel's fortunes. According to a report by the Philadelphia Inquirer, Governor Chris Christie continues to put his support behind the project as part of his ongoing effort to revitalize the Atlantic City economy. Furthermore, New Jersey gave about \$300 million in aid to get the casino built, the Inquirer said, but, in a sign of how poor its business is, last month Revel only generated about \$9 million from slots and table games.

While much of the local criticism of Revel's operations have focused on its blanket no-smoking policy, the Inquirer cited national gaming experts who say that its more pressing problem is a lack of an experienced casino operator running it, especially one with other properties. That way, according to one expert the Inquirer quoted, an operator could use a larger database and perhaps build complementary relationships between Revel and other casinos.

Should Revel be put up for sale, the Inquirer speculated that there are two primary potential buyers: Neil Bluhm, who owns a Pittsburgh casino, and Penn National Gaming (NASDAQ: PENN), which is aiming for a Philadelphia casino license.

In gambling parlance, a Fish is the person who is there to lose all his or her money -- and if you don't know who the Fish is at a gambling table, it's probably you. At Revel, the identity of the Fish may be coming into focus.

<http://www.bizjournals.com/newyork/news/2013/03/22/revel-casino-declare-bankruptcy-today.html>