

Virus outbreak could alter Japan's resort development calendar



By Richard N. Velotta Las Vegas Review-Journal
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How will the next frontier for gaming, Japan, respond to the effects of the coronavirus?

While the next key steps in the process of licensing companies to build integrated resorts in Japan are still months away, it's possible [the rapidly spreading COVID-19 disease](#) could affect the current timeline.

The prefecture of Osaka issued a request for proposals in December — MGM Resorts International appears to have the inside track on that project. But other areas are considering issuing RFPs, and a number of gaming companies across the globe are anxious to see what Japan's local and federal governments decide.

Though the timeline is lengthy — the first integrated resort isn't due to open until 2026 — the rapid spread of the virus has changed the course of the travel and tourism industries in the past month.

Who would have thought Las Vegas would see thousands of potential visitors stay away as a result of canceled conferences and meetings? So far, four

gatherings scheduled for Las Vegas have opted to retreat. Some of the larger international shows are expecting attendance to be affected by the coronavirus because many people from different corners of the world are either afraid of coming or can't come.

Will attitudes change on integrated resorts when the Japanese see the struggles convention destinations are encountering as a result of the coronavirus, and might the resort licensing process be delayed?

I asked that of Brendan Bussmann, a partner and director of government affairs for Las Vegas-based Global Market Advisors, who has been studying the potential arrival of casinos in Japan from the beginning. He thinks a delay is possible, but with plenty of lead time, chances are good everything will be resolved before the next steps in the process.

“No one knows what’s going to happen with the coronavirus today,” Bussmann said. “If you and I were to sit down a month and a half ago when this started breaking at the beginning of Chinese New Year and becoming a real story, would you have ever imagined they would have shut down the casinos in Macao for two weeks? We don’t know, and I’ll let the health officials, the WHO (World Health Organization) and the CDC (Centers for Disease Control), predict what may or may not happen with this. But I can see a delay in the process because of this a little bit.”

Bussmann said it’s hard to predict how Japan’s central government will react if the virus becomes a bigger crisis in that nation.

He noted that the Global Gaming Expo Asia in Macao already has been postponed from mid-May to late July, and all are watching to see what happens with a scheduled integrated resort exposition in late April.

According to Johns Hopkins University, which is monitoring COVID-19 globally, more than 100,000 cases of the disease had been reported worldwide as of Friday, including 381 cases in Japan, and six deaths have been reported there.

Soccer-crazed Italy is playing games in empty stadiums as a means of stopping the spread of the virus in that country. Who would contemplate the possible postponement of the 2020 Olympic Games in Tokyo if the outbreak gets worse?

For now, the International Olympic Committee is encouraging athletes to continue training for the Tokyo Olympics, scheduled to begin July 24.

The story continues to unfold, and there's not a lot we can do about it.

Except wash our hands.

Contact Richard N. Velotta at rvelotta@reviewjournal.com or 702-477-3893.

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