

Las Vegas Sands ends plans to build in Japan

By [Bailey Schulz](#) Las Vegas Review-Journal
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Las Vegas Sands Corp. is pulling out of Japan.

The company was in the running for one of three gaming licenses to be issued by the Japanese government, but will no longer pursue the development of an integrated resort in the country, according to a Tuesday news release.

CEO Sheldon Adelson said that while he's always wanted the company to have a development opportunity in the country, Sands instead will consider bringing its integrated resort model — which has been successful in Las Vegas, Macao and Singapore — to other Asian markets.

“The framework around the development of an IR (in Japan) has made our goals there unreachable,” Adelson said. “We are grateful for all of the friendships we have formed and the strong relationships we have in Japan, but it is time for our company to focus our energy on other opportunities,” he said.

Operators interested in building in Japan have faced various roadblocks over the years. In January, Japan officials delayed naming the sites for three future resort-casinos following a [bribery scandal](#).

Brendan Bussmann, a partner at Global Market Advisors, said the country is set to establish its long-awaited fundamental policy — a prerequisite for the

implementation of IRs — sometime in June or July. Officials had originally planned to release them in the spring.

Until that policy is released, Bussmann said operators won't know what the returns would look like in Japan, a market that could require upwards of \$10 billion of investment.

“Operators want to know the environment they’re going to potentially operate in. The longer this gets delayed, the more people you may see bail in what I know is a strong market,” Bussmann said.

The Japan gaming market had been estimated to be worth [more than \\$25 billion a year](#) once the resorts open, potentially making Japan the second-largest gaming market in the world, behind Chinese enclave Macao.

This isn't the first time Sands — which operates The Venetian, Palazzo and the Sands Expo & Convention Center on the Las Vegas Strip — has pulled back on its Japan development plans. In April 2019, it announced it was changing its Japan strategy from a focus from Osaka to Tokyo and Yokohama.

Three months prior, Sands Chief Operating Officer Rob Goldstein said Osaka was the [only city in Japan](#) suitable for a large-scale integrated resort with millions of square feet of convention space and thousands of hotel rooms.

Tuesday's statement didn't say which Asian countries it may turn to next, but Sands' latest earnings call presentation, posted in April, said it was looking at Macao, Singapore and South Korea as “principal areas of future development interest.”

“Japan is still a really strong market and can be a great gaming market,”
Bussmann said. “It’s just a matter of getting through some of these hurdles.”

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and CEO Sheldon Adelson.*