

# Penn signs 20-year sports wagering deal with New York casino

By Richard N. Velotta Las Vegas Review-Journal  
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If New York lawmakers approve mobile sports wagering, Penn National Gaming Inc. is ready.

The Wyomissing, Pennsylvania-based regional gaming company on Monday announced it has entered a 20-year strategic partnership with Capital Region Gaming LLC, which operates the Rivers Casino & Resort in Schenectady, New York.

In Southern Nevada, Penn operates the Tropicana and M Resort.

“Gaining potential access to what could become one of the nation’s most lucrative sports betting markets has been a major priority for our company,” said Jon Kaplowitz, Penn National’s senior vice president of interactive gaming.

“We are hopeful that the New York State Assembly will follow those leading revenue producing states that allow for multiple skins for mobile sports betting. A state the size of New York certainly warrants open competition and a free-market approach,” Kaplowitz said.

A Las Vegas gaming industry analyst said Penn’s move helps solidify its position in a highly lucrative market.

“We will have some idea of how New York is going to proceed with sports betting as the budget is due roughly in a month,” said Brendan Bussmann, director of government affairs for Global Market Advisors.

“The state already has significant revenue shortfalls but this should not be put on the backs of a potential mobile sports betting market with excessive license fees,” he said. “A competitive, mobile environment has proven to be the most effective model and the one that New York should embrace if it wants to generate the most revenue to the state.”

Penn Interactive offers online wagering on sports in two states – Pennsylvania and Michigan — and anticipates operating its Barstool Sports mobile sportsbook app in at least 10 states by the end of 2021. In addition, Penn Interactive launched its Barstool-branded iCasino in Michigan on Feb. 1. Barstool is based in Boston and operates sportsbooks and engages customers through social media and radio programs.

“We’re very encouraged by the initial results we’ve seen in Michigan, as we registered over 48,000 new customers and generated total handle of \$27.5 million during the first 10 days of operation,” Kaplowitz said. “We remain very confident in our ability to win sizable share in new markets based on the power of the Barstool brand and media assets, which allows us to begin to leverage the meaningful cross-sell opportunities from the Barstool Sportsbook, iCasino and our mychoice loyalty program audiences.”

New York is considered a prime market because of its enormous population. New York players have signed up to wager in nearby New Jersey and crossed into that state to bet on games.

“In many of these states that may see limited market access, Penn’s move (Monday) helps solidify their position in a highly lucrative market,” Bussmann said. “New York, if structured properly, has the chance to be one of the best sports betting markets in the country. It definitely enhances Barstool’s reach into this key market and leans toward a multiple skin model.”

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