

New York Gaming Facility Location Board
Response to Request for Applications to Develop and Operate a
Gaming Facility in New York State

TIOGA DOWNS RACETRACK, LLC

Exhibit VIII.B.2.

Section A.

Tioga Downs has a very important asset that no other applicant competing for the Southern Tier gaming license has; *an existing database of nearly a quarter million present and past customers, who have demonstrated an interest in patronizing a casino property.*

This resource, along with the skill sets that drive it, has taken seven years to build and places Tioga Downs Casino Resort (TDCR) in the unique position of being able to immediately drive rated play revenues with little or no ramp up time.

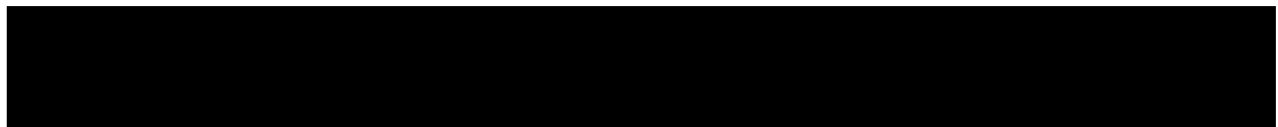
Based on our experience building the Tioga Downs database, we estimate it will take a new casino property a minimum of 12 months to compile the customer contact and behavioral data needed to implement an introductory stage customer loyalty program. Even then, the mail programs will be simplistic in nature, still lacking historical data on which to base segmentation strategies targeted to maximize return on investment.

Furthermore, if another property should enter the Southern Tier, Tioga Downs will aggressively leverage its seven years of database knowledge and insights to compete, resulting in higher marketing and incentive costs for both properties.

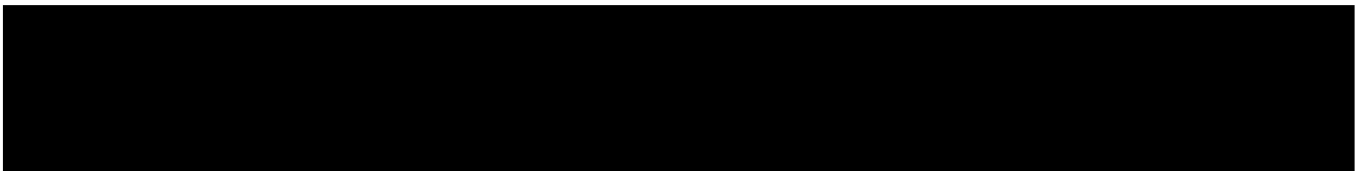
As a result of its robust database, Tioga Downs has established a successful Customer Loyalty Program, producing year-over-year gains in rated play revenue in 36 out of the 41 past months.

The basic tenants of this strategy will be broadened in scope, leveraging “resort style” amenities to build revenues from the following target audiences:

Tioga Downs Current Customers:

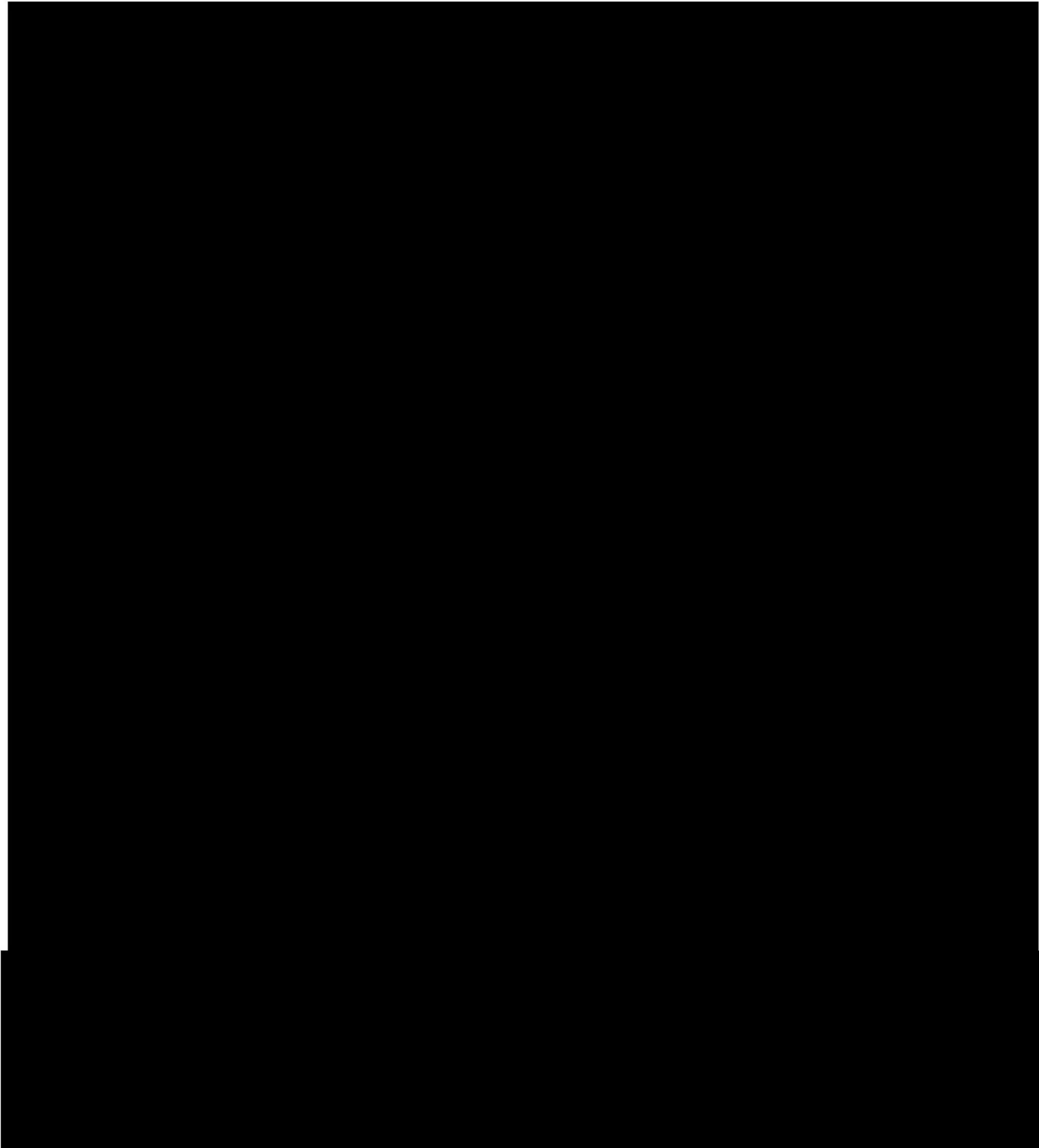


New Customers:



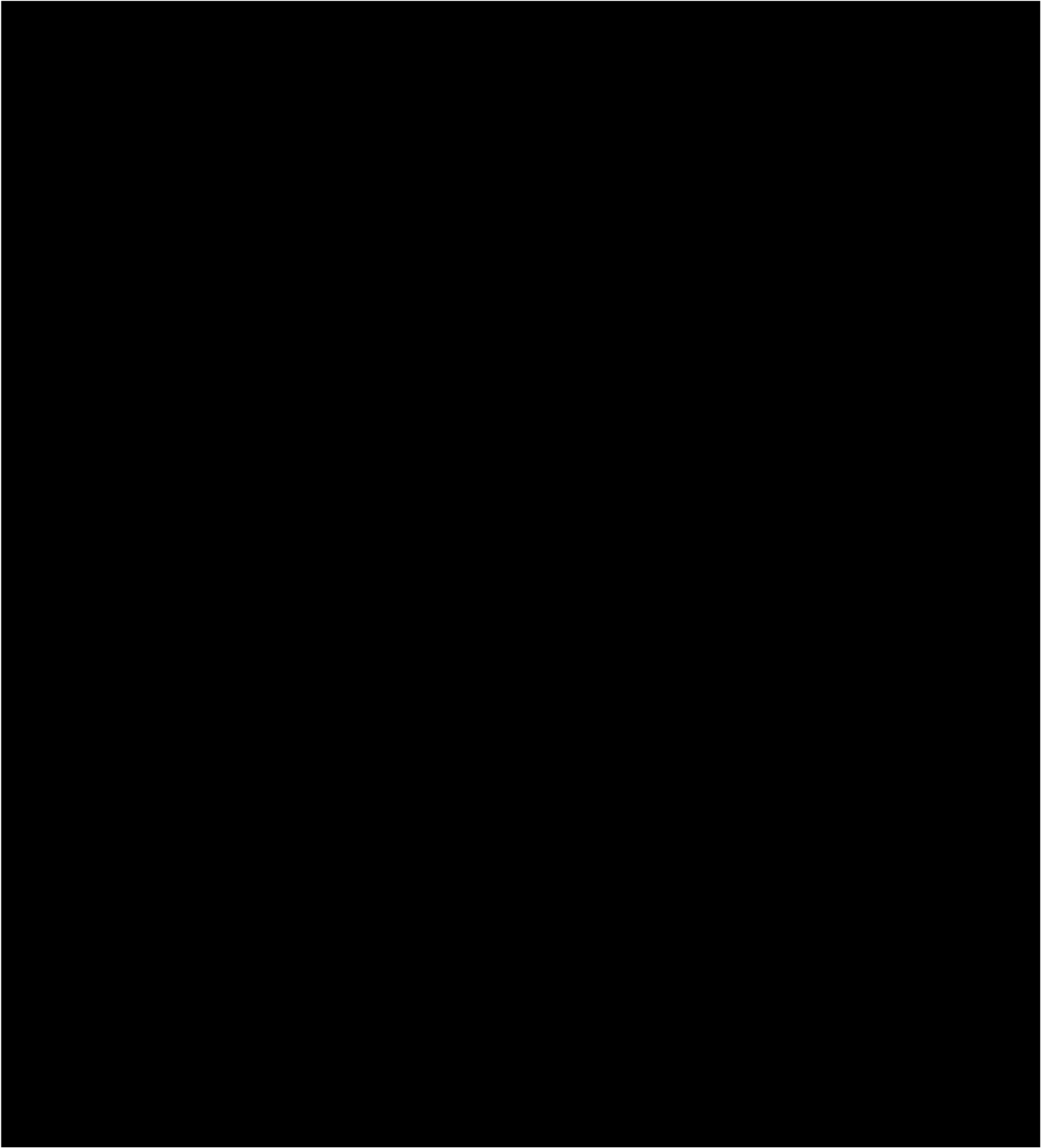
TIOGA DOWNS RACETRACK, LLC

Exhibit VIII.B.2. (cont.)



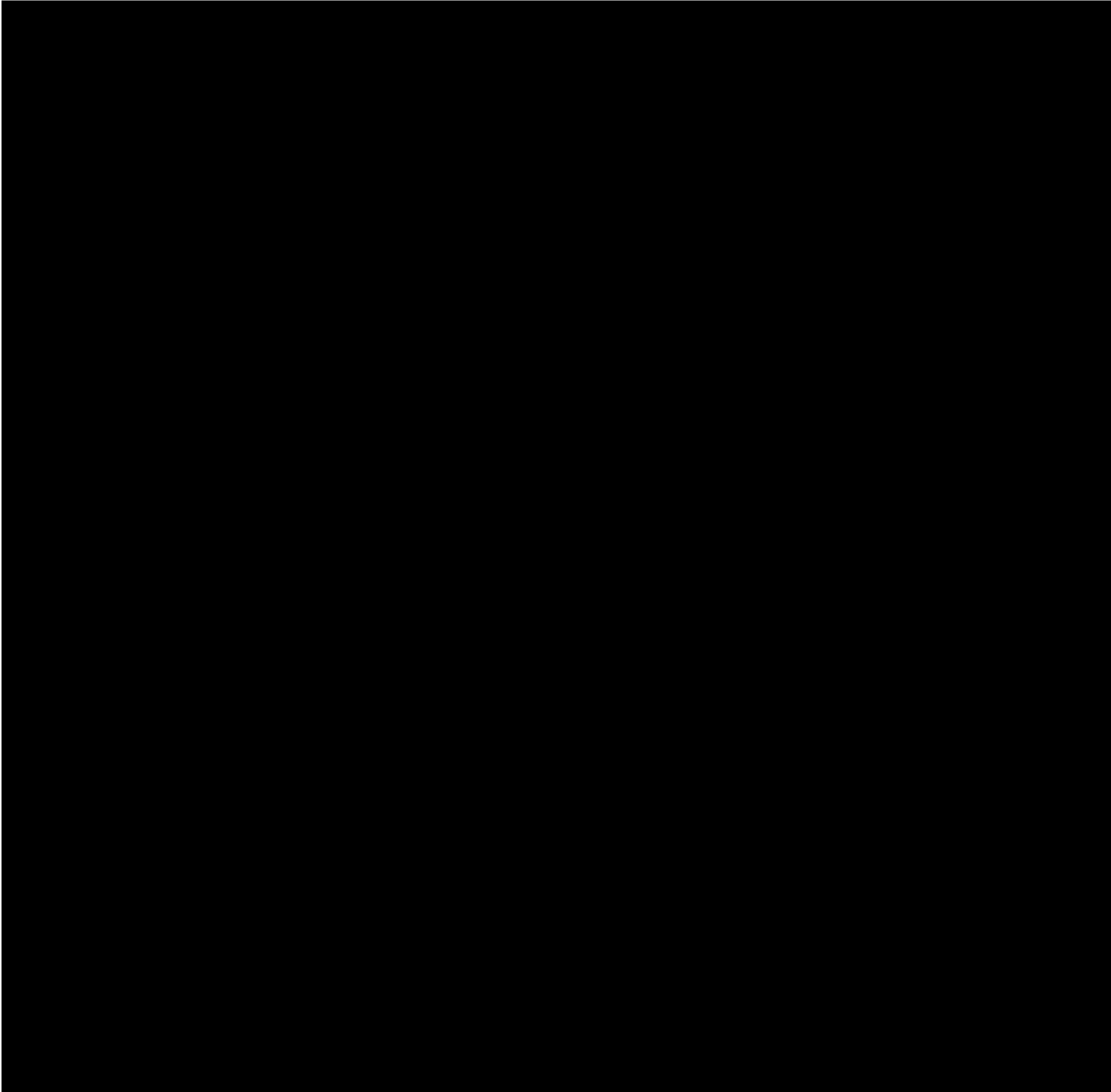
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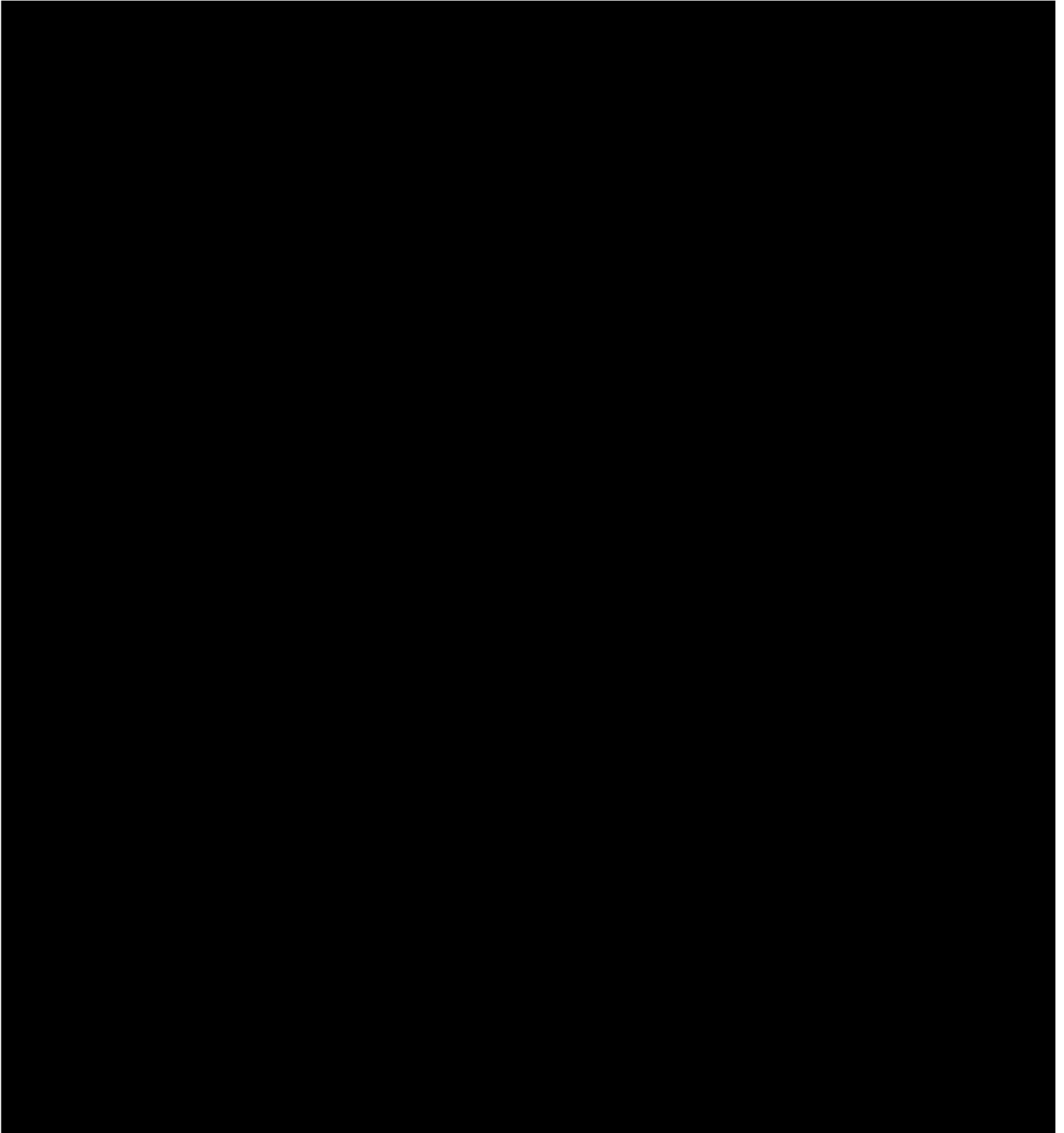
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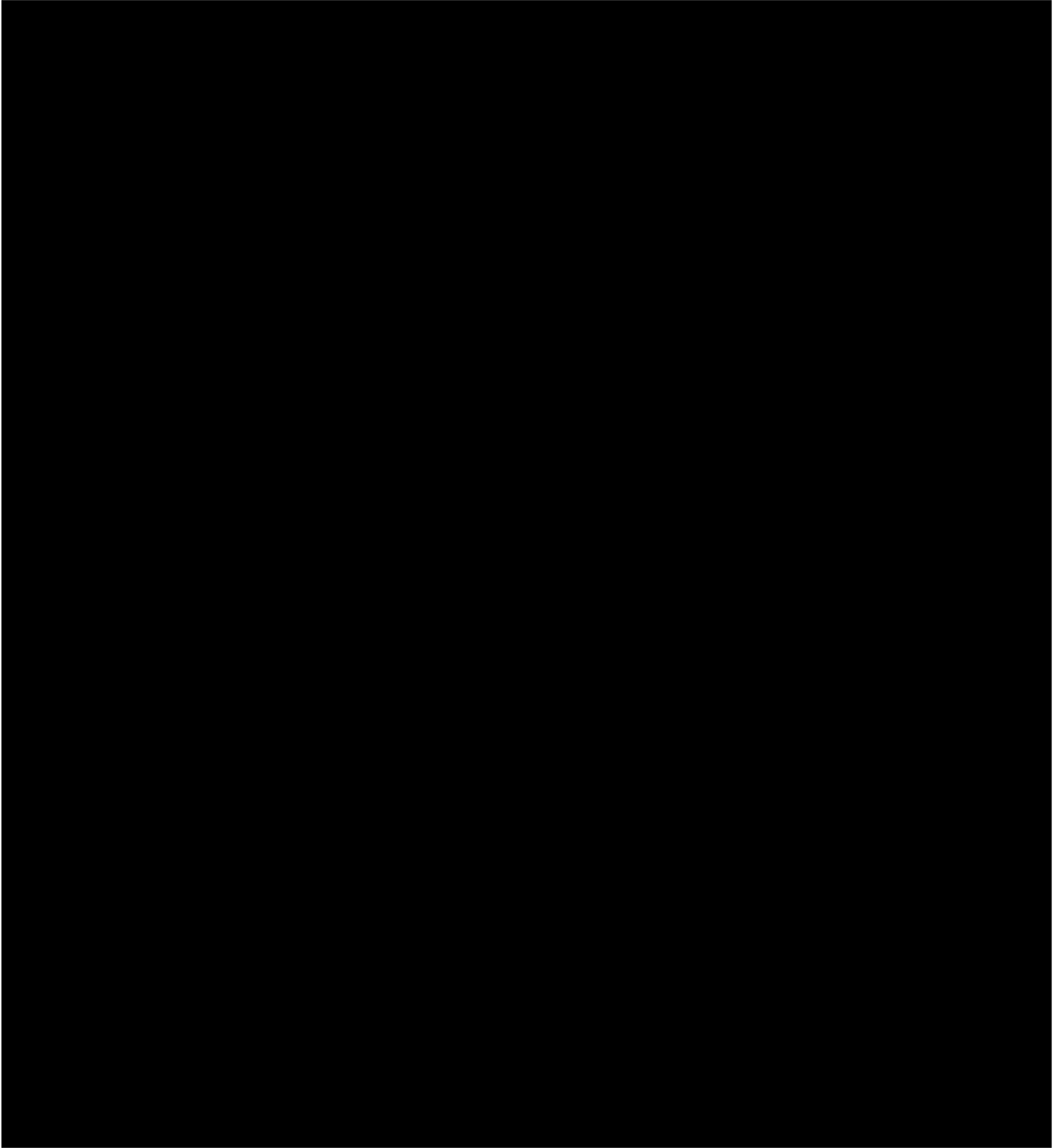
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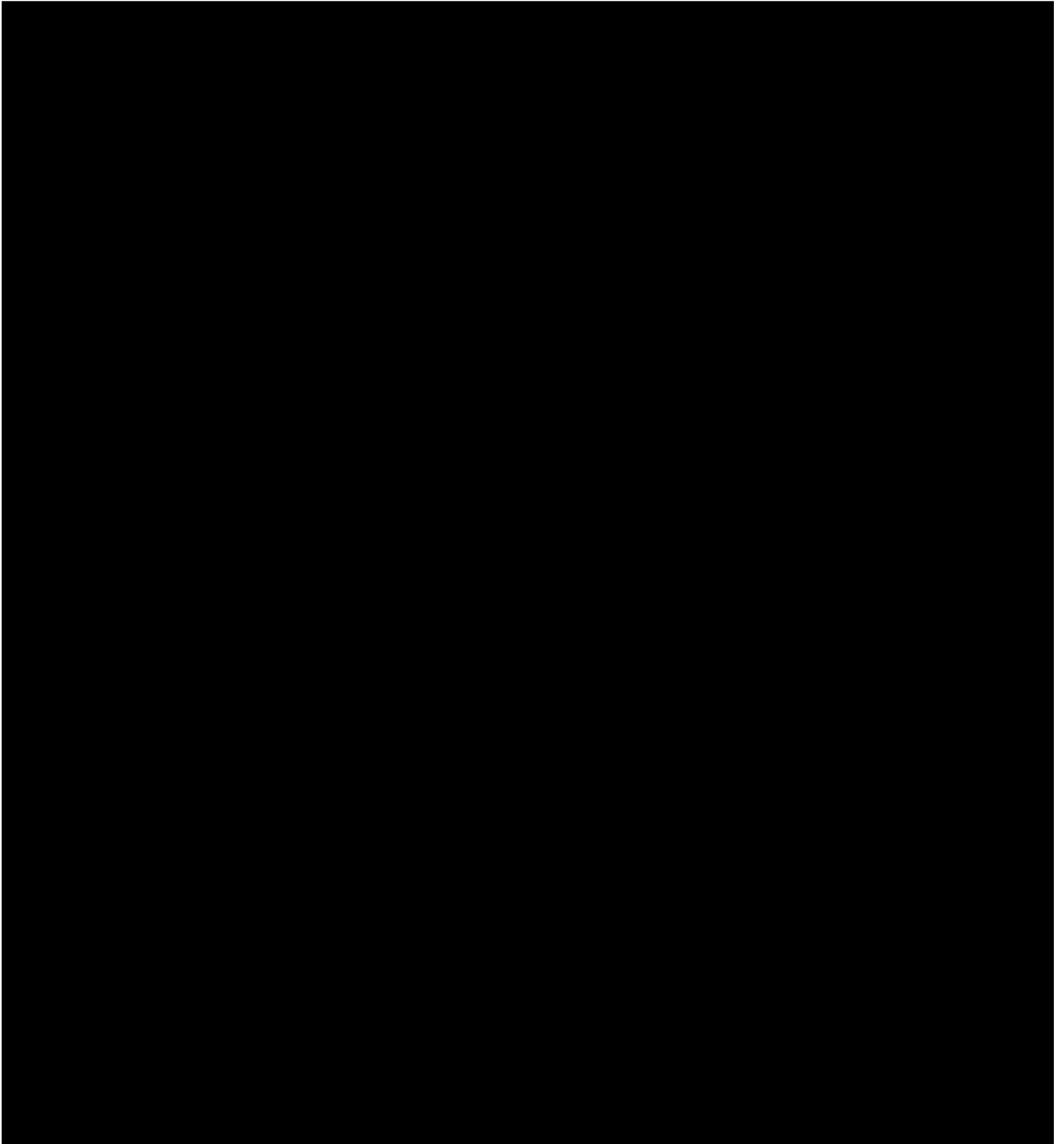
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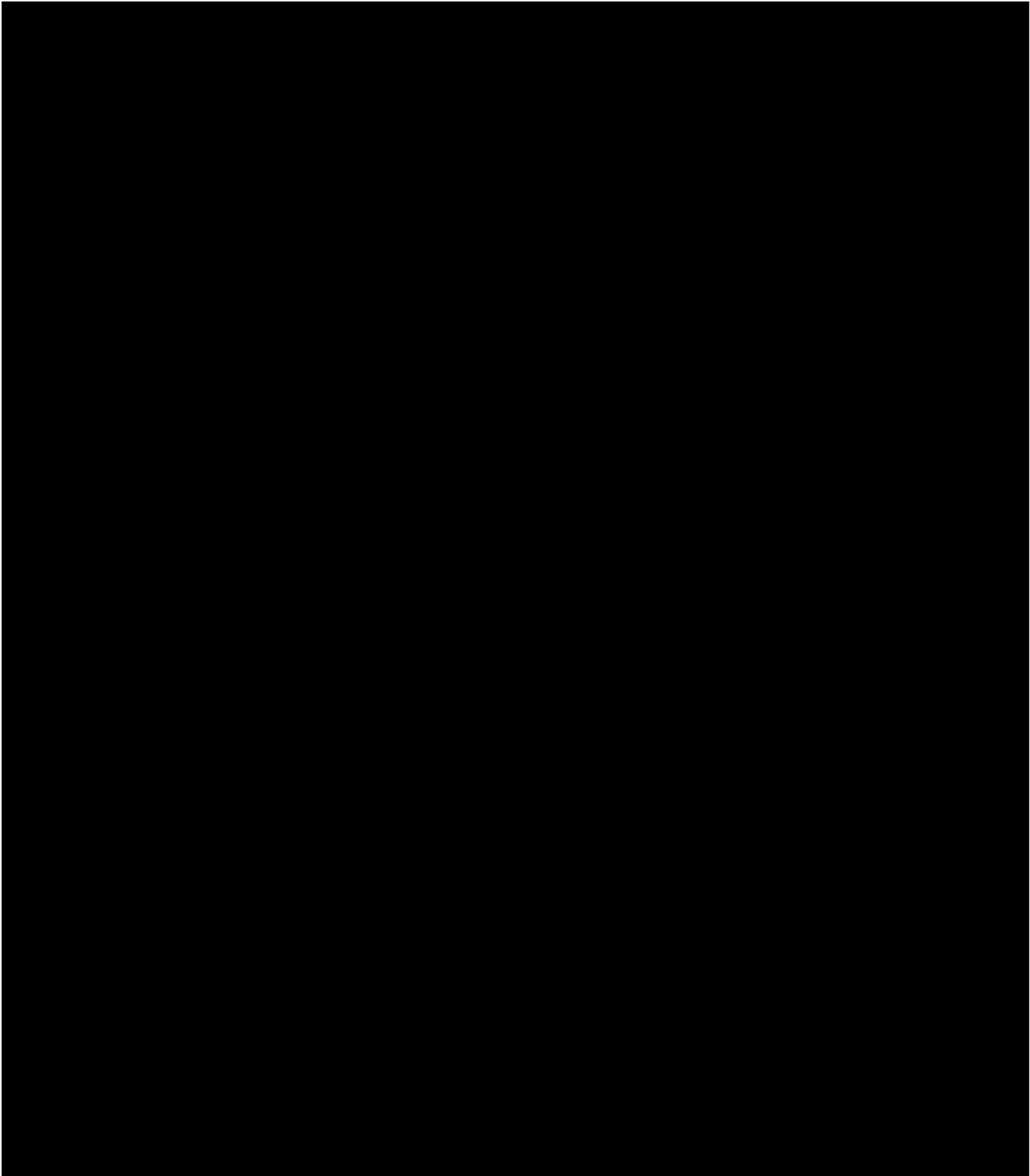
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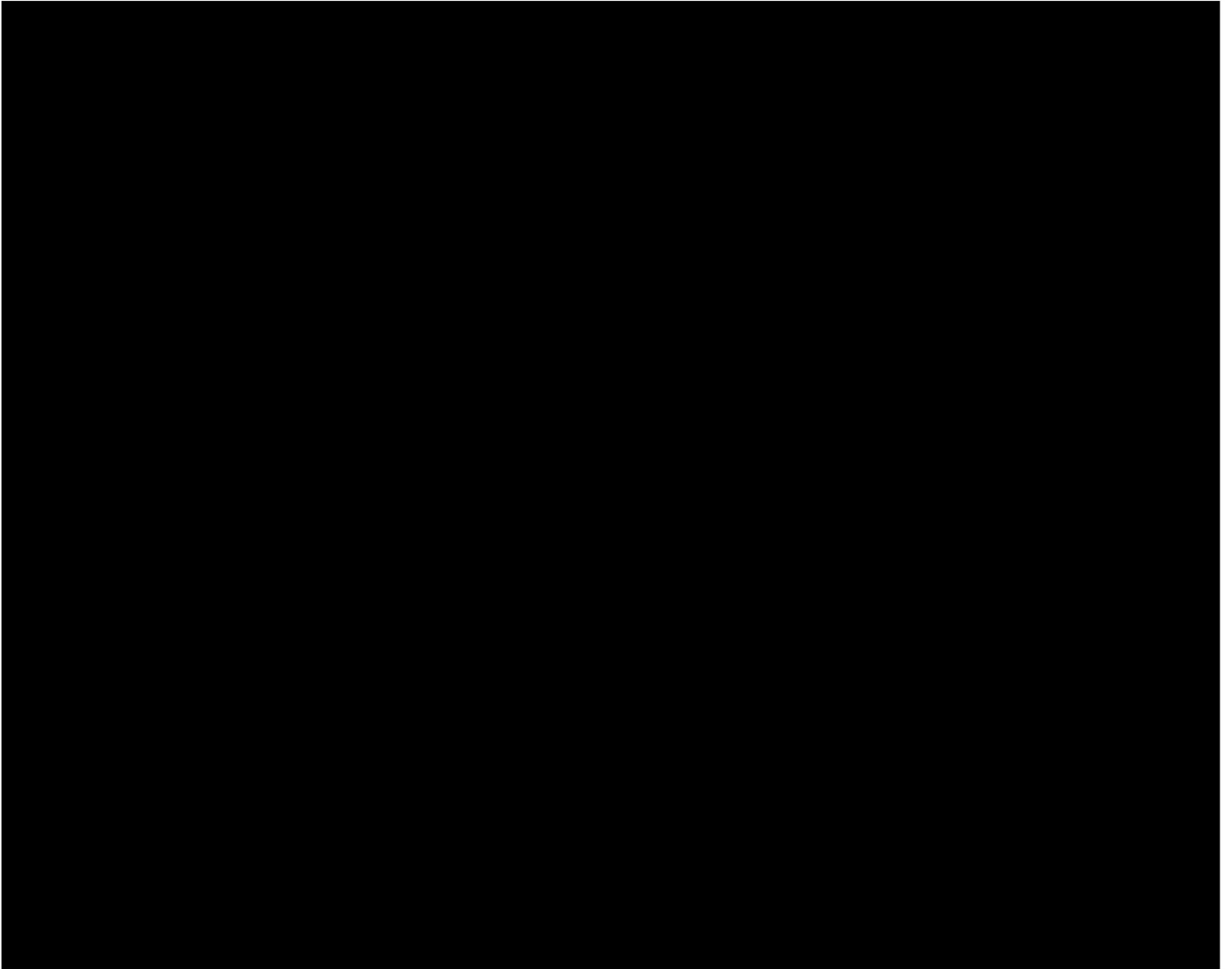
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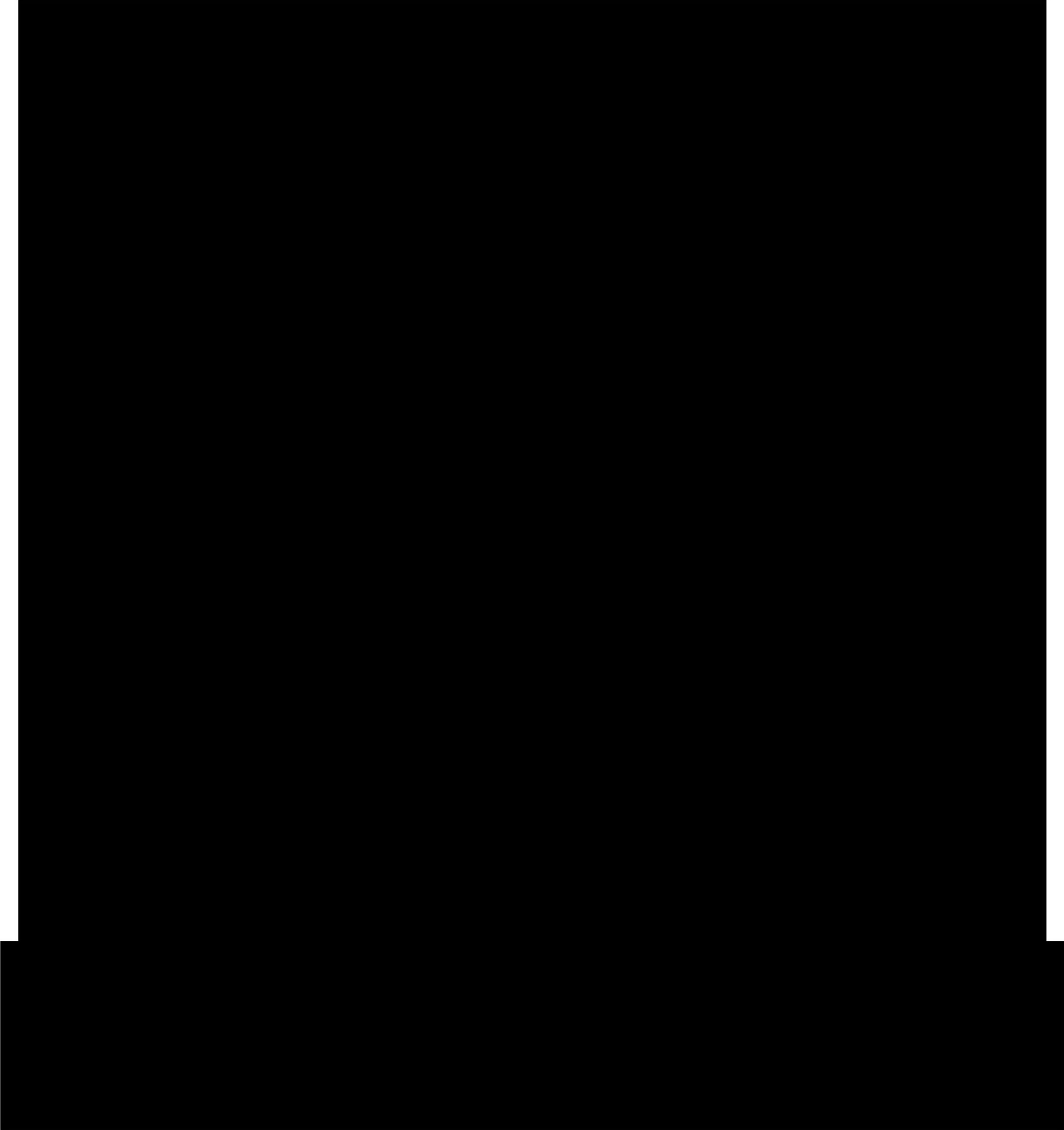
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