

Irish businesses should take a punt on Macau

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ASIA BRIEFING: MACAU IS the world's largest gambling hub, pulling in almost six times the revenue of the Las Vegas strip. The former Portuguese colony had €25 billion in gambling revenue last year.

While there may be only a handful of Irish expatriates in Macau, there are plenty of opportunities for Irish businesses there, which is why a group of senior Irish businesspeople recently set up the Irish Chamber of Commerce of Macau (ICCM).

“There are huge possibilities there for Irish businesses. Look at all the resorts opening up. There are opportunities everywhere, in gaming, IT, hospitality, you name it,” said ICCM founder and chairman, Niall Seán Murray. Also director of operations development at gaming operator Sociedade de Jogos de Macau, Murray has previously worked for Sands.

Macau is the only place on Chinese soil where table gaming is permitted – it's banned on the mainland. In Hong Kong it is possible to bet on horses and some other sports through the Jockey Club, but there are no casinos. Macau currently gets 28 million visitors a year, and this is expected to rise to 50 million in the next few years. This expanding army of visitors will need somewhere to stay. There are about 20,000 hotel rooms now, compared to 150,000 hotel rooms in Vegas.

Macau is expected to up activities dramatically once the Cotai Strip comes on stream. This is a narrow piece of reclaimed land which when fully developed will be the Asian equivalent of the Las Vegas strip, where local and international casino operators are spending billions on resorts that combine casinos with shopping centres and entertainment venues to try to woo the middle classes.

One resort being developed by SJM is to have 8,000 rooms by the fourth quarter of 2015. MGM and Steve Wynn are opening at least 25,000 rooms in the next few years.

“Think of getting Irish linen into those rooms. Think of the minibars, that's a lot of consumption for Irish whiskey,” he said.

Macau gets roughly 70 per cent of gambling revenue from VIP clients.

On the board of supervisors at ICCM are president Frank McFadden, who also works in a senior role at SJM, gaming consultant Ciaran Carruthers and local entrepreneur Bill Condon, as well as local notables.