

SE CommercialProperty
HD **Operators of planned Gold Coast resort 'broke contract'**

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THE operators of a controversial \$7.5 billion Gold Coast resort and casino development proposed by Chinese-backed ASF Group are mired in a long-running dispute with a Philippines casino owner, allegedly failing to fulfil their management services contract.

Las Vegas-based Global Gaming Asset Management, which manages casino operations in The Bahamas, last month entered arbitration with Bloomberry Resorts, the operators of Solaire Resort and Casino, the largest casino operation in Manila.

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The ASF-led consortium, which includes the Hong Kong-listed China Communications Construction Company and one of its subsidiaries, Guangzhou Dredging, as well as the state-owned China State Construction Engineering Corporation, have an ambitious plan to develop 6750 apartments, 2885 hotel rooms, 65,000sq m of shopping areas and 31,000sq m of commercial space on Wavebreak Island, at the northern end of the Gold Coast.

Under the master plan thousands of apartments are proposed across a 50-storey tower, nicknamed "the lighthouse" by the proponents, and two 20-level high-rises, as well as low-rise along the western flank of the 90ha development.

Last week ASF announced it had signed GGAM to manage the resort operations of the integrated proposal.

ASF Consortium project director Allan Fife said the proponent for the gaming licence was "the collective brains" behind the concept of integrated resorts in Asia.

He said they developed the Sands in Singapore, as well as projects in Macau and Las Vegas.

But Manila-based Bloomberry alleges GGAM, headed by long-time gambling industry hand William Weidner, "materially breached" a contract to manage the casino after it opened in March last year.

Bloomberry raised concerns with GGAM about the lack of service — including the failure to assist in the marketing of the \$US1bn (\$1.15bn) development by providing access to its global list of celebrities — but did not hear back. After two months it terminated the agreement for technical services and operational expertise.

While the matter only entered arbitration in Singapore last month, Bloomberry successfully applied for a court order that effectively bars GGAM from selling its \$166 million stake in the operation, after it tried to sell its entire 8.7 per cent share earlier this year.

GGAM spokesman Spence Johnson said the allegations made by Bloomberry were false, and it had "performed all of its obligations". Bloomberry did not comment on the dispute, but one senior member of staff, speaking anonymously, said the agreement had a number of "deliverables" that were not met.

“They spent a total of five days in a month at Solaire, they did not spend material time with us,” he told The Weekend Australian from Manila. “Since they have no permanent assets in the Philippines, we had to take an injunction so they couldn’t sell their **stake** and just leave,” he said.

Previously, Mr Weidner has been named in a suit filed in Nevada by **Hong Kong** businessman Richard Suen, who alleged he had not been paid for his help obtaining a Macau casino licence for industry giant Las Vegas Sands more than a decade ago.

At the time, Mr Weidner was the **company**’s president, sealing a series of deals in mainland **China**.

He is no longer a defendant in the case, which has dragged on for more than a decade, reaching the Nevada Supreme Court after Las Vegas Sands appealed the decision to grant Mr Suen \$US100m.

Geoff Baker, a director of ASF Consortium, said they were aware about the situation with Bloomberry. “We made our enquiries, and we’re generally happy with how (GGAM) are handling the situation,” he said. “We believe GGAM is ideally suited as our operator on the **Gold** Coast because of its experience in integrated resorts.”

CO csttce : China State Construction Engineering Corporation

IN i97912 : Gambling Industries | ilea : Leisure/Arts/Hospitality | i501 : Building Construction | i5010023 : Institutional/Commercial Building Construction | iconst : Construction | icre : Real Estate/Construction

NS ccat : Corporate/Industrial News

RE china : China | phlns : Philippines | austr : Australia | lvegas : Las Vegas | usnv : Nevada | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | namz : North America | seasiaz : Southeast Asia | usa : United States | usw : Western U.S.

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