

Las Vegas Sands bets on new Cirque show in Macau

Macau (Reuters) – Las Vegas Sands Corp offered a peek on Thursday at a USD 150-million Cirque du Soleil show that will open at the Venetian Macau, the casino operator's latest high-stakes bet that it can get visitors to the Asian city to do more than gamble.

The dreamy „Zaia“ features dancers and acrobats depicting a story of a girl who ventures into outer space in Asia's first permanent Cirque du Soleil installation. It has an initial contract of 10 years.

The gamble that „Zaia“ will pull in the crowds is critical for the U.S. casino operator, which suffered an unexpected first-quarter net loss, partly because it lost a significant share of a VIP market made up of high-rollers who gamble upwards of USD 100,000 a visit.

In contrast with Las Vegas, Macau, a former Portuguese enclave, has a reputation for attracting visitors with little more than gambling on their minds.

High-stakes players have driven growth and are projected to contribute roughly 60 percent of gaming revenues this year.

Las Vegas Sands hopes to change that.

„Obviously, there's the big gamble here, no pun intended, which is that all of these gamblers that we know Macau can attract are also going to want to see shows and go to great restaurants and do things other than just gamble,“ said Mario D'amico, Senior Vice-President for Marketing for the Canada-based Cirque de Soleil.

A second Macau-based Cirque show, also in cooperation with

Sands, is set to open across the street at a Sheraton under development next year.

„Zaia“ was „probably the biggest investment in terms of a single event,“ Bradley Stone, executive Vice President of Las Vegas Sands, told Reuters. „It’s all part of really changing what Macau is all about.“

Cirque du Soleil’s unique performances have been a cornerstone of Las Vegas’ non-gaming entertainment since the early 1990s, with five resident shows in the city.

Radical change in Landscape

Since Macau’s local gambling monopoly was busted up in 2001, the landscape of the former Portuguese enclave has changed radically, with foreign casino operators like Sands, Wynn Resorts Ltd and MGM Mirage Inc entering the fray.

Las Vegas Sands has invested heavily in „extracurriculars,“ like restaurants, retail and conference space and entertainment – including the Cirque du Soleil, which will perform in its own 1,800-seat custom-built theatre.

„The non-gaming revenues are there to be had, but of course all of this supports the whole tourism, whether it’s room sales, whether it’s casino sales,“ Stone said.

„We don’t isolate and say this is just a revenue centre in and of itself. It’s there to support the other revenue centers.“

The U.S. firm has invested more than USD 2.5 billion in the Venetian and more than USD 1 billion in a Four Seasons hotel which is scheduled to open next door next year, as well as other properties nearby.

D’amico said he had no reservations about establishing a show in Macau, but hoped people would stay in Macau longer than the present average of less than two days.

In Las Vegas, by contrast, the average stay was about four days, he said.

„Clearly those numbers have to go up, and for a show like ours to work we need an average stay to be two or three nights,“ D’amico told Reuters.

Cirque du Soleil plans to open a permanent show at Tokyo Disneyland later this year.