

Rank Group sees the return of high-rolling London visitors after slow start to summer

Rank Group, the FTSE 250 casino operator, is betting on the faster return of high-rolling foreign visitors to London after Covid kept some of its key customers away until later in the summer.


Covid restrictions have kept gamblers from the far east out of the company's nine London venues, but its middle eastern customers are now coming back, escaping the extreme summer heat at home and providing an important customer base for Rank.

John O'Reilly, chief executive, told the Standard that their return was "much later" than usual, after a "very tough April" and a "sluggish May", for the business, but that "when we got toward the end of June, it picked up ... they may have got a surprise when they got off the plane and it was 40 degrees at Heathrow!"

The recovery helped a 34% rise in visitor numbers in London venues in the first seven weeks of Rank's new financial year after it reported an underlying operating profit of £40 million for the year to June 30, in line with expectations.

"People are coming back into London, you can feel it. Our maitre d', David, at the Park Tower said to me last week that before Covid, at the end of his shift, he'd have to fight his way to the front door through all the punters. During Covid, it was a leisurely walk through an empty casino. Now, he hasn't got to fight, but he does have to navigate his way through."

Read More

- [Cash use set to survive despite slump during pandemic – report](#)
- [FTSE 100 Live: Federal Reserve rates outlook feeds market caution](#)
- [Marshalls revenue climbs despite ‘less certain’ economic times](#)
-  [BRANDPOST | PAID CONTENTHow Uber drivers are sparking the electric car revolution](#)

The company behind London’s famous poker venue The Vic on Edgware Road and the Park Tower casino in Knightsbridge also owns the Mecca chain of bingo halls and is concerned about the impact of rising energy costs, which constrain customers’ spending power and squeeze its own margins.

Rank said energy costs hit £23 million in the last financial year, up from £13 million and at current prices, would hit £46 million this year at current market prices.

“When the new prime minister is appointed, we need a lot of focus on energy cost in the UK,” said O’Reilly. “Tony Blair said ‘education, education, education’, we would like the new prime minister to say ‘energy, energy, energy.’”.

He also called the delay to government reforms of gambling law “disappointing”, joining a chorus of industry criticism, pointing out that current legislation dates back to 1968.

Shares in the company fell 2% to 86.40p on Thursday in early trade.