

DOVER DOWNS GAMING & ENTERTAINMENT INC  
 Form 4  
 January 11, 2008

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Gates Capital Management, Inc.

2. Issuer Name and Ticker or Trading Symbol  
 DOVER DOWNS GAMING & ENTERTAINMENT INC [DDE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/09/2008

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)

1177 AVENUE OF THE AMERICAS, 32ND FLOOR

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_ Form filed by One Reporting Person  
 \_X\_ Form filed by More than One Reporting Person

NEW YORK, NY 10036

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)	
			Code	V	Amount (D)	Price		
Common Stock	01/09/2008		P		31,985	A \$ 9.9141	2,028,011 I <sup>(1)</sup>	Investment Manager, see remarks below <sup>(1)</sup>
Common Stock	01/10/2008		P		42,764	A \$ 10.0217	2,070,775 I <sup>(1)</sup>	Investment Manager, see remarks below <sup>(1)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

Gates Capital Management, Inc.  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

Gates Capital Partners, L.P.  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

Gates Jeffrey L  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

ECF VALUE FUND L P  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

ECF VALUE FUND II LP  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

ECF VALUE FUND INTERNATIONAL LTD  
1177 AVENUE OF THE AMERICAS  
32ND FLOOR  
NEW YORK, NY 10036

X

## Signatures

Gates Capital Management, Inc. Gates Capital Partners, L.P. Jeffrey L. Gates ECF Value Fund, L.P. ECF Value Fund II, L.P. ECF Value Fund International Ltd. By: Jeffrey L. Gates, President, Gates Capital Management, Inc., an authorized person

01/11/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Gates Capital Management, Inc., which is controlled by Jeffrey L. Gates, is the general partner of Gates Capital Partners, L.P., which is the general partner of ECF Value Fund, L.P. and ECF Value Fund II, L.P. and thereby is solely responsible for the trading and investment decisions of ECF Value Fund, L.P. and ECF Value Fund II, L.P. Gates Capital Management, Inc. is also the investment manager of ECF Value Fund International, Ltd. and thereby is solely responsible for the trading and investment decisions of ECF Value Fund International, Ltd. The following persons shall be considered to be Reporting Persons for purposes of this Form: Gates Capital Management, Inc., Gates Capital Partners, L.P., Jeffrey L. Gates, ECF Value Fund, L.P., ECF Value Fund II, L.P. and ECF Value Fund International, Ltd. For purposes of this Form, the securities reported herein are deemed to be beneficially owned collectively by the Reporting Persons.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.