

State ski industry a peak producer

Sector generates \$2 billion annually, provides 31,000 jobs

By Chris Walsh
Rocky Mountain News

Colorado's ski industry is about much more than diamond runs and knee-deep powder.

It's about jobs — nearly 31,000 of them. It's about expansion and upgrades — tens of millions of dollars

each year. And it's about revenues — more than \$2 billion annually.

A report released Wednesday confirms what many people in the state already know: Colorado's ski industry is an economic giant, making up a huge share of tourism employment and revenues.

Colorado Ski Country USA, a trade group for ski resorts, commissioned the study to gauge the economic impact of the state's ski industry — the first such report since the 1996-97 ski season.

The study found:

Flip to GIANT on 4B



Estee Martinez, 5, of Denver, rests while waiting in line at Winter Park during Presidents Day weekend in February. A report released Wednesday shows Colorado's ski industry provides a huge share of the state's tourism jobs and revenues.

TODD HESLER/
ROCKY MOUNTAIN NEWS

Skiing, Colorado, 2003-2004.

resort efforts to attract more folks and increase visitation," said Rob Perlman, president and chief executive officer of Colorado Ski Country. Boulder-based RRC Associates gathered the research and compiled the data.

In addition to generating big bucks, ski resorts also spend a lot — in the form of upgrades, expansions and other capital expenditures.

The industry spent \$169 million in expansions from the 2000-2001 season through the 2002-2003 season. In comparison, the estimated cost of the Denver Art Museum expansion is \$91 million, according to the study.

The report also confirms the importance of out-of-state skiers, or destination visitors, to Colorado's ski industry. During the 2002-2003 season, resorts recorded 6.8 million out-of-state skier visits, compared with 4.8 million from Colorado.

Resorts covet "destination skiers" because they typically spend more money on lodging, restaurants and entertainment. The number of destination visitors has shrunk during the past few years, from about 70 percent of total skier visits during the 1996-1997 season to about 59 percent now.

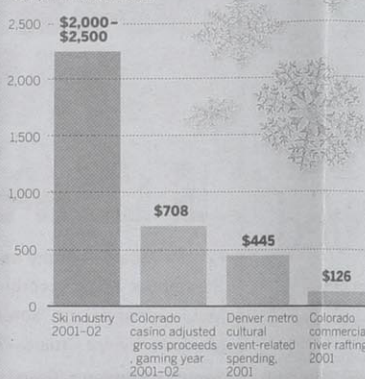
The ski industry makes up a significant portion of the state's \$7 billion tourism industry, which draws 26 million domestic visitors a year and supports more than 200,000 jobs in Colorado.

"We've long known that skiing is an important part of the tourism industry," said Stefanie Dalgar, a spokeswoman for the Colorado Tourism Office. "Colorado has a reputation as a first-class ski destination, and this proves it."

walshc@RockyMountainNews.com
or 303-892-2744

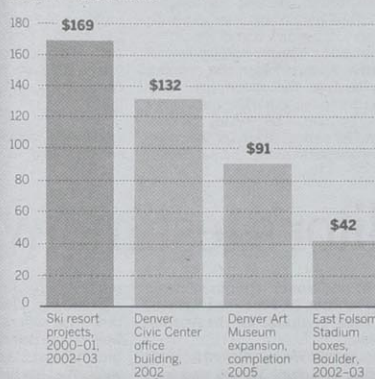
REVENUES

Sales, in millions of dollars



CAPITAL EXPENDITURES

Costs, in millions of dollars



Sources: Center for Business and Economic Forecasting; ski resort operators; RRC Associates; Colorado Division of Gaming; Colorado Business Committee for the Arts; city of Broomfield; Colorado River Outfitters Association; McGraw-Hill Construction



years ago, an industry official said Wednesday.

That would represent an improvement for Utah's 13 resorts over the past two years, when the 2002 Winter Olympics, the war in Iraq, a declining national economy and last year's paltry snowfall combined to depress sales of lift tickets.

"We will have a record year this year. It's hard not to with the kind of snow we had," predicted Kip Pitou, president of the industry group Ski Utah.

Pitou, who collects confidential data from Utah's ski resorts, said he was projecting 3.4 million skier visits, up from the record 3,278,291 for the 2000-01 winter.

The figure for last year was 3,141,212.

"We need to be 4 million. We can easily handle that at our resorts," he said.

Estimating ski-area business can be tricky at this time of year. Many of Utah's resorts will stay open for another two weeks and late-season leader Snowbird will remain open another two months.

Colorado leads the nation with more than 11 million skier visits, about 60 percent of them from out of state. Utah draws about 56 percent of its business from destination skiers, a category prized for spending more money than local skiers.

Utah resorts added millions of dollars of infrastructure before the 2002 Winter Olympics and could accommodate a lot more skiers.

But advertising and promotion is key and "we basically get nothing" from the Utah Legislature, Pitou said.

Utah spends less than \$1 million on tourism for the whole state.