Vail Resorts’ mountain division does well, but company posts quarterly net loss

By Ed Sealover, Denver Business Journal

Vail Resorts Inc. had a net loss of $55.7 million, or $1.54 per diluted share, during the first quarter of its 2012 fiscal year, but officials are optimistic about a good ski season and believe reorganization of its lodging division will yield increased revenue in future years, CEO Rob Katz said Wednesday.

The Broomfield-based company typically suffers losses during the first quarter of each year, when its resorts aren’t open for skiing or snowboarding.

But the loss for the three months ending Oct. 31 was 29.5 percent larger than the loss for the same period in 2010, which was $43 million, or $1.20 per diluted share. That was due largely to costs associated with the acquisition of the Northstar resort in Truckee in October 2010 and a legal settlement, co-president/CFO Jeff Jones said in an earnings call Wednesday.

Vail officials reported revenue increases in some segments, such as a 21.8 percent jump in mountain division revenue driven primarily by increases in dining, retail and summer activities at its four Colorado resorts – Vail, Beaver Creek, Breckenridge and Keystone – and Heavenly and Northstar in California.

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