# Fluctuating currencies impacting European ski destinations

**By Jennifer M. Freedman, Bloomberg News**

Four years after Bruno Prior paid less than a dollar for an unprofitable ski resort in the Swiss Alps, the strength of the country’s currency has quashed the British entrepreneur’s dream of turning it around.

The Swiss franc has risen 70 percent against the pound since August 2007, when Erner Galen’s community backed Prior’s plan to resuscitate 12 miles (19 kilometers) of pistes over bids to build holiday chalets. After investing more than 500,000 francs ($533,000) in the resort east of Zermatt, he’s dropped a plan to raise another 100 million francs and is instead seeking a buyer.

“The funds we’d set aside for it were worthless,” said Prior, 45, a director of U.K.-based Summerleaze Ltd., a firm that specializes in renewable energy and waste disposal. “The strength of the franc is a problem for the country long term.”

The franc’s gain, coming after a season when snowfall was less than two-thirds of the long-term average, is putting pressure on a ski industry worth 1.5 billion francs a year to the Swiss economy. Resorts from St. Moritz to Verbier are cutting prices for hotels and ski passes to lure foreign visitors and deter locals from crossing the border into France or Austria.

A combination of the strong franc and Europe’s debt crisis is weighing on this season’s bookings with some hotels only half full, said Guy Chanel, marketing director for tourism in Villars, a ski resort 123 kilometers (76 miles) east of Geneva.

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