

# Vail Resorts buys 2 Midwest ski resorts

By Ed Sealoover, Denver Business Journal

Vail Resorts Inc. has entered into agreements to buy two Midwestern ski resorts, making the Broomfield, Colo.-based company's cache of out-of-state resorts larger than its in-state collection for the first time.

The company that owns and operates Heavenly, Northstar and Kirkwood in California, and the Vail, Keystone, Breckenridge and Beaver Creek resorts in Colorado will add Afton Alps in Minnesota and Mount Brighton in Michigan to its portfolio for the combined price of \$20 million, CEO/chairman Rob Katz announced Thursday.

Vail Resorts then plans to upgrade the ski areas and to include them for the 2013-14 season in what will be a nine-resort season pass, he said.

"These acquisitions are part of a new strategy for Vail Resorts to drive season pass sales and build broader guest loyalty by looking at premier smaller ski areas located near major urban markets," Katz said in a news release. "We plan to bring state-of-the-art racing, terrain parks, coaching and technology to the guest experience."

The announcement comes two days after KSL Capital Partners LLC of Denver, which owns Squaw Valley, announced that it will buy a 24 percent stake in Whistler Blackcomb Holdings Inc., the Canadian company that owns the popular Whistler ski resort near Vancouver, British Columbia. Katz was asked during Vail's quarterly earnings call Tuesday about whether his company had looked at buying Whistler, and he responded that he was not interested in buying a minority stake in a resort company because it would not allow Vail to make changes and drive

value the way it feels is necessary.

Afton Alps and Mount Brighton host a combined 468,000 active skiers each year and are near the Minneapolis-St. Paul and Detroit markets. Both currently are family-owned.