



Intrawest and Steamboat Ski and Resort Corp. officials say resort operations will not be affected by the refinancing of Intrawest's debt. [Enlarge photo](#) — Photo by [Matt Stensland](#)

Intrawest optimistic

Company officials say they have no plans to cut services, staff

By [Blythe Terrell](#) (Contact)

STEAMBOAT SPRINGS — A day after Intrawest beat a loan deadline by refinancing, company officials Friday shrugged off speculation that the deal could hinder operations.

Steamboat Ski and Resort Corp.'s parent company, which is owned by Fortress Investment Group, brokered a deal Thursday on a \$1.7 billion loan that was coming due. Although one analyst suggested that the agreement would force Intrawest to cut services, staffing and hours at its resorts, Intrawest spokesman Ian Galbraith brushed aside that idea.

"No, we haven't" made cuts, Galbraith said Friday. "Obviously, with the economy this year ... we're looking at our business very closely. But we've made no concrete decisions on that."

Ski Corp. President Chris Diamond said in an e-mail Friday that the analyst, Jackson Turner, of New York-based Argus Research Company, was not

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involved in the process and was "providing nothing more than outside speculation about the negative impact this might have on our service levels and future capital investments." Turner monitors Fortress for Argus.

Diamond said he was pleased with the outcome of negotiations.

"I'm terribly proud of our ownership group and their ability to complete such a significant transaction in what has to be the worst credit market in decades," Diamond said. "This is good news for Steamboat and should be celebrated."

In addition to Steamboat Springs, Intrawest has interests in the Winter Park and Copper Mountain ski areas in Colorado. The Vancouver, B.C.-based company also runs Whistler Blackcomb and other North American resorts.

Andy Wirth, Intrawest's chief marketing officer, said little about the refinancing deal and its potential impact on Steamboat.

"We have resolved the issue," Wirth said. "We have been and continue to be business as usual."

Wirth did, however, speak about the upcoming ski season and visitor bookings. He expressed concern along with "pragmatic optimism."

"We have approximately 38 to 40 percent of the season 'on the books' right now; that's where we're at," Wirth said. "With that, we have concerning trends, and the numbers, which I can't share with you, remain consistent with my last comments."

Those comments, delivered three weeks ago, were a response to information from Vail Resorts. That company reported that its hotels were down nearly 18 percent for the season compared with last year.

That number "is indicative of what all of Colorado is seeing as far as booking trends," Wirth said at the time.

Wirth said Friday that Intrawest was building and promoting packages to quash that trend.

In Steamboat, interested parties are banding together, he said.

"We're getting tremendous support from the lodging community, and that is nothing short of critical in a challenging situation," he said.

Wirth stressed another high note. In two independent studies, researchers for Intrawest found that people still aim to ski, he said. One of the studies

has run for two weeks and will run weekly for 17 more. RRC Associates of Boulder conducted the other study, from Oct. 8 to 20.

Both found that “the intent to travel and the intent to ski remains intact compared to last year with our existing customers and prospective customers,” Wirth said.

He cited that research as part of the reason for his pragmatic optimism.

The studies show “what’s really in the psyche of someone who lives in Atlanta and has two kids, what are they really thinking regarding intent,” Wirth said.

The willingness of that Atlanta family to turn desire into a ski vacation rests on a predictable factor, he said: price. Intrawest can influence that with promotional packages and by working with airlines to reduce fares.

“In some ways, it also allows us to put some numbers with it,” Wirth said. “We have a sense of how many customers — and I’ll use the election term ‘the swing vote’ — it allows us to see what percentage of our customer base is in that mode; they’re tentative, and they’ll swing into action based on price.”

Diamond said he is focused on the coming months.

“With all that is impacting the community this year, it is easy to be diverted from our primary goal — providing the industry-leading service Steamboat is known for worldwide,” he said. “It is imperative for the entire community to remain committed to keeping our attention squarely focused on the season ahead.”

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