



For Immediate Release

Contacts: Ally Demos
303-917-8396
ademos@mtrip.org

Joan Christensen
970-509-0710
jcc@rkymtnhi.com

SEASON SWAN SONG FOR WESTERN MOUNTAIN SKI RESORTS (The Song Remains [Much] the Same)

Denver, Colo., May 18, 2010 — The final numbers for destination travelers to more than a dozen western mountain resort destinations have been tallied for the 2009-10 ski season with year-over-year occupancy for the ski season up 1.4 percent and the average nightly rate down 5.8 percent. The Mountain Travel Research Program (MTRiP) released their final winter season Mountain Market Briefing this week and their data revealed that January occupancy was up 1 percent, February was up 3 percent, and March was up 8 percent. April was flat compared to last year's business.

MTRiP's data also measures on the books transactions for the upcoming six months and reported that advance bookings have improved considerably in the past 30 days, with year-over-year occupancy up nearly one percent and rate up 3.4 percent. The booking pace in April for arrivals in April through September is up 32.2 percent compared to last year.

"Although the occupancy increase remains quite small, it still represents a statistical stepping stone in advance booking data and along with the ongoing strength in the pace of advanced reservations, we're seeing the first rate increases in some time," noted Garrison. "However, we saw a few hiccups in the upward climb to recovery due to low season 'softness' in both April and May and that serves as a reminder that recovery from the recession is weaker and more hesitant than hoped," he explained.

While the final tally for the full season was only a modest improvement over last season, MTRiP's analysts found broader economic indicators that suggest the economy remains in a cautious upswing.

"Evidence of slow and continued strength in the underlying economy has yet to energize consumers in any significant way, but remains a subtle sign of encouragement for the mountain travel industry," said Tom Foley, MTRiP research analyst.

One paradoxical pair of indicators was from the employment sector. While 290,000 jobs were added during April, the unemployment figures actually rose from 9.7 to 9.9 percent.

"This seemingly confusing contradiction is actually pretty simple," explained Foley. "The good news is that the 290,000 new jobs dramatically exceeded the 131,000 anticipated by analysts and

continues the same positive trend of new jobs exceeding projections for the third consecutive month. The bad news is that more than 290,000 unemployed people actively re-engaged in seeking employment this past month because of these new positions,” he added.

In addition to new jobs, the Consumer Confidence Index (CCI) increased 10.3 percent, reaching its highest level, 57.9, since September 2008. “This modest strength in the CCI is encouraging,” said Foley “but a healthy consumer economy has an index in the 80 to 90 point range which is approximately 45 percent higher than its current level and a far cry from the 120–150 range experienced in the early part of the decade.

A 1.9 percent increase in the Travel Price Index (TPI) during March, the fourth consecutive monthly increase, coupled with a March TPI that is 5.5 percent higher than March 2009 is indicative that travel providers are edging prices higher for travel products but the uptick also covers increases in fuel, airline fees, and other travel related costs. Currently, “travel inflation” is outpacing the national inflation rate of 2.3 percent.

“Looking back at last season and forward to this summer, the song is familiar and sounds about the same,” mused Garrison. “It’s easier listening than last year, but still not exactly a cause for dancing. Hopefully the steady beat will continue and the tempo will pick up over the summer and onto next season,” he added.

*Data is derived from a sample of 265 property management companies in 15 mountain destination communities, representing 24,000 rooms across Colorado, Utah, California, and Oregon and may not reflect the entire mountain destination travel industry.