



# Making a Splash in a Tough Economy

## Ski Area Waterparks Add to Family Fun and Revenues

By Brian Irwin

I stood inside the clear tube, my heart pounding in my chest. A speaker above my head counted down. “Three. Two. One. Drop.” The floor swung out from beneath me, dropping me into the near-vertical tube of the 60-foot high La Chute waterslide, a harrowing inverted-loop ride that pulls sliders at up to 50 feet per second. It’s the only indoor one like it in the world. La Chute is part of Jay Peak’s Pump House indoor waterpark in Northern Vermont. This winter Jay opened the 50,000-square-foot indoor water park, along with the slopeside and expansive 176-room Hotel Jay.

The Pump House is an impressive complex. Costing more than \$20 million to build, the park is a veritable oasis, with a variety of offerings that range from slow to scary. A whitewater river circulates the park’s periphery, with vacationers bobbing in tubes as a convoluted knot of waterslides looms overhead. Winding moderate slides like The Double Barrel run parallel to the thrilling La Chute, a speed slide that looks no more at home in an indoor setting than a roller coaster.

A cluster of hot tubs resides in the park’s center, flanked by cabanas for rent. An arcade and snack station sit poolside, while a mezzanine bar serves up tropical drinks to onlookers watching surfers on the stationary Flowrider surf wave, or the Jumbotron that hangs from the ceiling of the glass structure. The Pump House instills the feeling of being in the warm South, outdoors and in the sun. During the

summer, when the roof retracts, that impression of warm rays becomes a reality.

Despite its out-of-the-way location in rural Vermont, Jay has thrived as a ski area due in large part to its impressive terrain and deep snow. An average of more than 350 inches falls here each year. But as Marketing Director Steve Wright explains, Jay struck out in 2009 to strengthen its approach to the family market and also amplify its revenue stream during the summer months. Hence the development of the water park.

Jay is not the only “core skier” mountain to bridge the gap from freeskiing epicenter to family funhouse. In 2008 Silver Mountain in Kellogg, Idaho, opened the Silver Rapids Indoor Waterpark, a 42,000-square-foot indoor oasis of tube slides, a lazy river, their own Flowrider surf wave, and everything in between. According to John Williams, Silver’s director of marketing, the addition of the waterpark was a critical element in differentiating his resort from others.

“We have fairly steep terrain at Silver. [The waterpark] was a good way to become more family oriented,” he says, adding that the addition of the park “established [Silver Mountain Resort] as a destination resort, not just a day ski area.”

The waterpark did more than tap Silver Mountain’s skier market, which was limited to around 15 percent of

skiers and snowboarders per capita. By offering a non-skiing option, non-skiing family members and even non-skiing families had a wet and wild option for their vacation. Similar to the situation at Jay, the indoor park provides customers security from rain and poor conditions during their holiday, making family vacations more “weatherproof.” And the new option has led to increased revenue on and off the slopes.

“Since the addition of the waterpark, we’ve nearly tripled our lodging bookings,” says Williams.

Silver Mountain’s waterpark attracts 90,000 visitors annually. All guests staying at the resort’s Morning Star Lodge have access to Silver Rapids, and season pass holders get four uses per year at no additional charge. What’s more, Williams says more bookings translate to increased ticket sales, which have also spiked. By bundling a season pass and waterpark pass, the resort has increased season pass sales by 60 percent in the last three years. This is good news for investors, because the park did not come cheap. It cost around \$20 million to build. That figure, according to Williams, is dwarfed by the positive impact of the park on Silver Mountain’s revenue stream. Despite the investment, Williams reports that the resort flipped to a positive cashflow on the park within three years. ■

## Riding the Waves in Pennsylvania

Shawnee Mountain in East Stroudsburg, Pa., had an outdoor waterpark and found it to be a worthwhile investment, as well as a popular amenity with guests. However, Shawnee’s park, built in 1981, was outdoors, limiting its seasonal availability, and fell into disrepair. The resort had to make a tough decision: invest millions into building a new park or refurbishing an old one, or tear it down and make room for more profitable forays. Shawnee chose the latter.

Nevertheless, just a few hours away in the Pennsylvania Poconos, Blue Mountain is planning a new 19-acre outdoor waterpark that it anticipates will boost summer revenue. Despite a relatively short season of about four months, Barbara Green, president of Blue, remains optimistic that the park will thrive.

“We have an urban market. We draw upon visitors from New York and Philadelphia,” says Green, noting that this alleviates her concerns about building a \$10 to \$15 million-dollar water park when economic times are tough. And she is pairing the park with new slopeside lodging, which she sees as a symbiotic investment: an influx of water park visitors will increase bookings in her new lodging area, which in turn will support the lodging, so it is a sustainable investment for the winter season.

Profit margins are tightening for some areas that rely solely on ticket sales for year-round income, which may help explain the newfound popularity of auxiliary revenue-producing activities. Zip lines, adventure parks, and concert events are popping up at almost every ski hill. Blue Mountain’s strategic plan could be considered bold, given the fact that the outdoor park will only be open for use a third of the year. However, the new, elaborate version of the ski-and-slide model seems promising. Areas investing in quality, expansive parks, not just a slide or two under the quad, are showing returns that may be the key to survival in a competitive market. —BI ■



## Zip Lines Offer Year-Round Excitement

Zip lines and canopy tours have been installed in the past several months at ski areas too many to mention. Christina Polumbus, public relations manager at Montana’s Whitefish Mountain Resort, says the resort’s close proximity to Glacier National Park provided the motivation for adding a zip line course to its summer activities. Like many areas, she says the end goal is to increase summer reservations at the resort.

In Utah, Emily Moench, communications manager at Snowbird, says the resort is replacing its zip line feature with a Mountain Flyer. At press time, Snowbird was still seeking final approval for a mountain coaster that would also be built this summer.

Meanwhile in March, Kirkwood reported that thrill seekers there will experience a new adrenalin rush, thanks to its new state-of-the-art zip line, which includes eight different lines and multiple suspension bridges.

“Everyone has a great time. It’s especially thrilling to see multi-generational families laughing and bonding over a shared experience 80 feet up in the trees,” says Wade Beane, Zip Tahoe manager. —TH ■