Big Mountain – Big Possibilities

OFFSETTING OPERATIONAL COSTS AND CAPITALIZING ON FACILITIES

-$1.54M

Problem: Current Operations Loss

Big Mountain Resort Facilities:

- Views of GNP
- 105 trails
- 3k Acres
- 11 Lifts, including 3 fastQuads,
- 2,353 ft Vertical
- 3.3mi Longest Run
- 350k visitors

The Problem:

How can BMR offset $1.54M operational costs of the new lift by the END OF THE SEASON? Cuts in facilities and expenses? Capitalize on resort facilities?

+$7.84M

-Reinvest

The Solution:

This year: Increase adult ticket price by $4.48
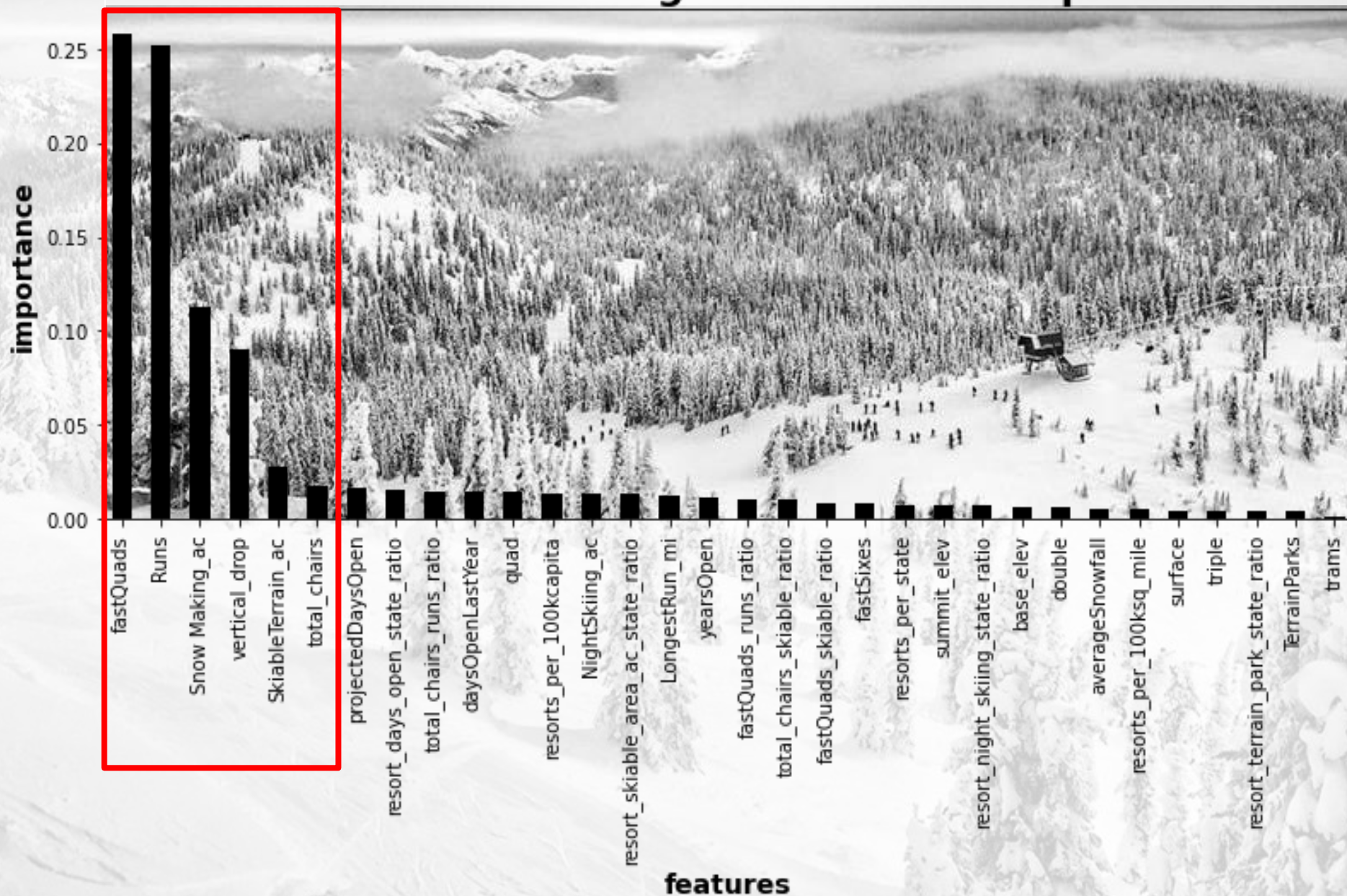
After Next 5 years: Increase ticket price by $1.99
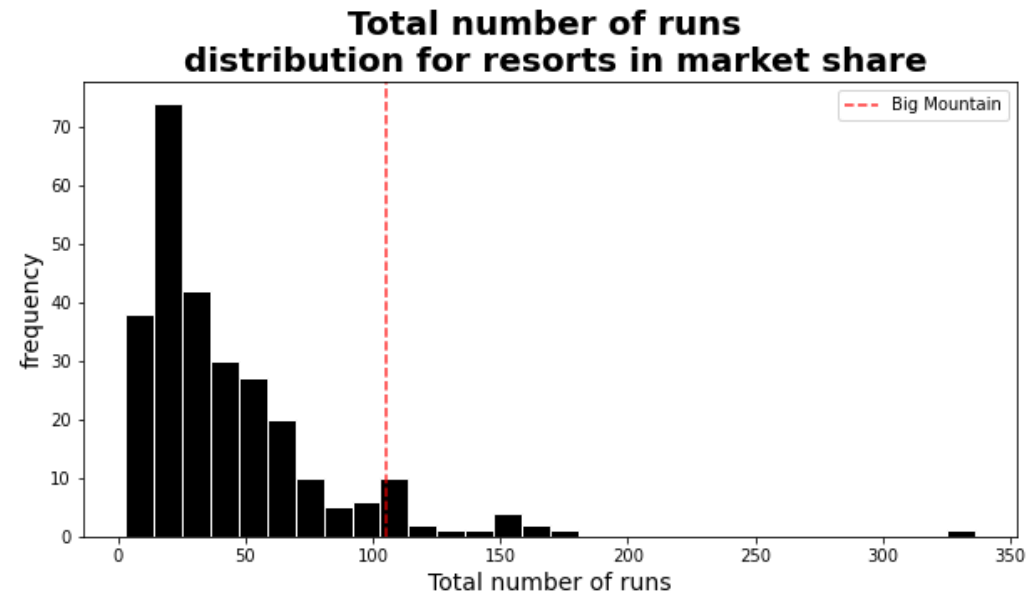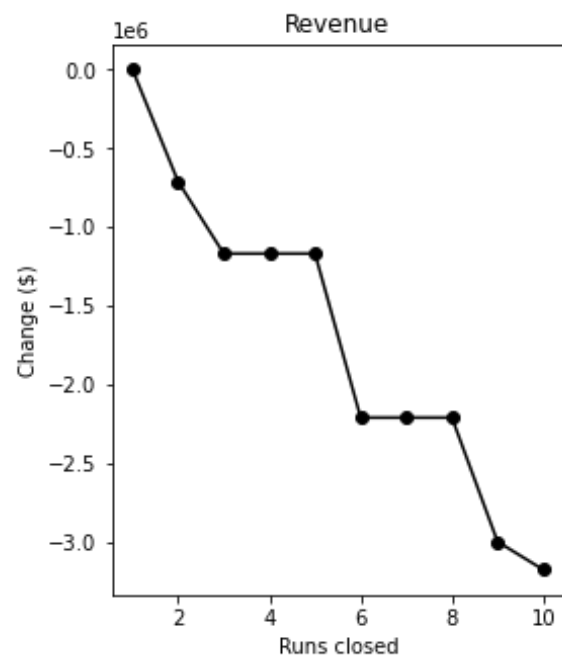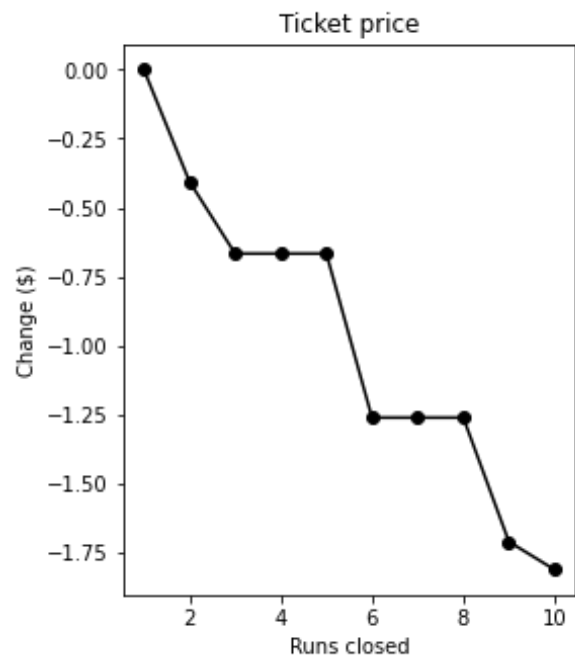
Increase vertical drop by 150

-1 more run

-1 more lift
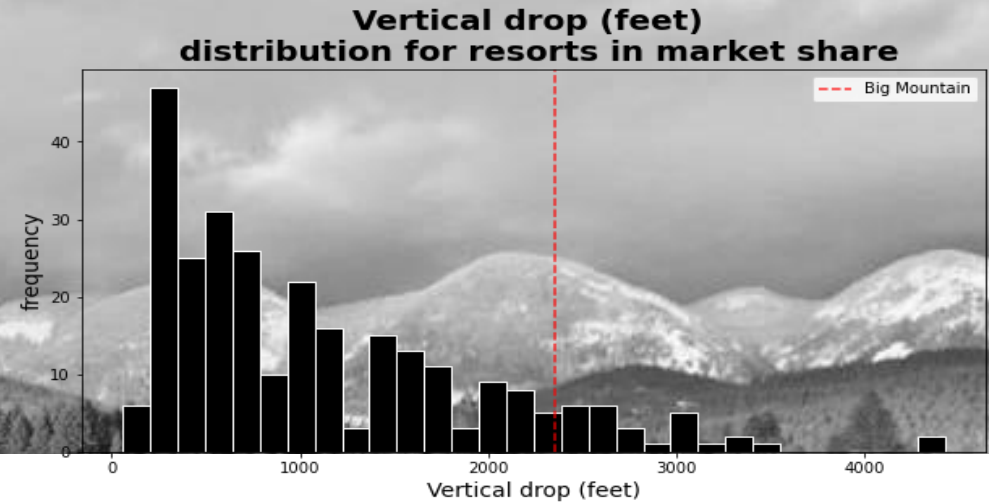
Best random forest regressor feature importances

Close Runs:
$0

Increase Vert:

+$3.47M

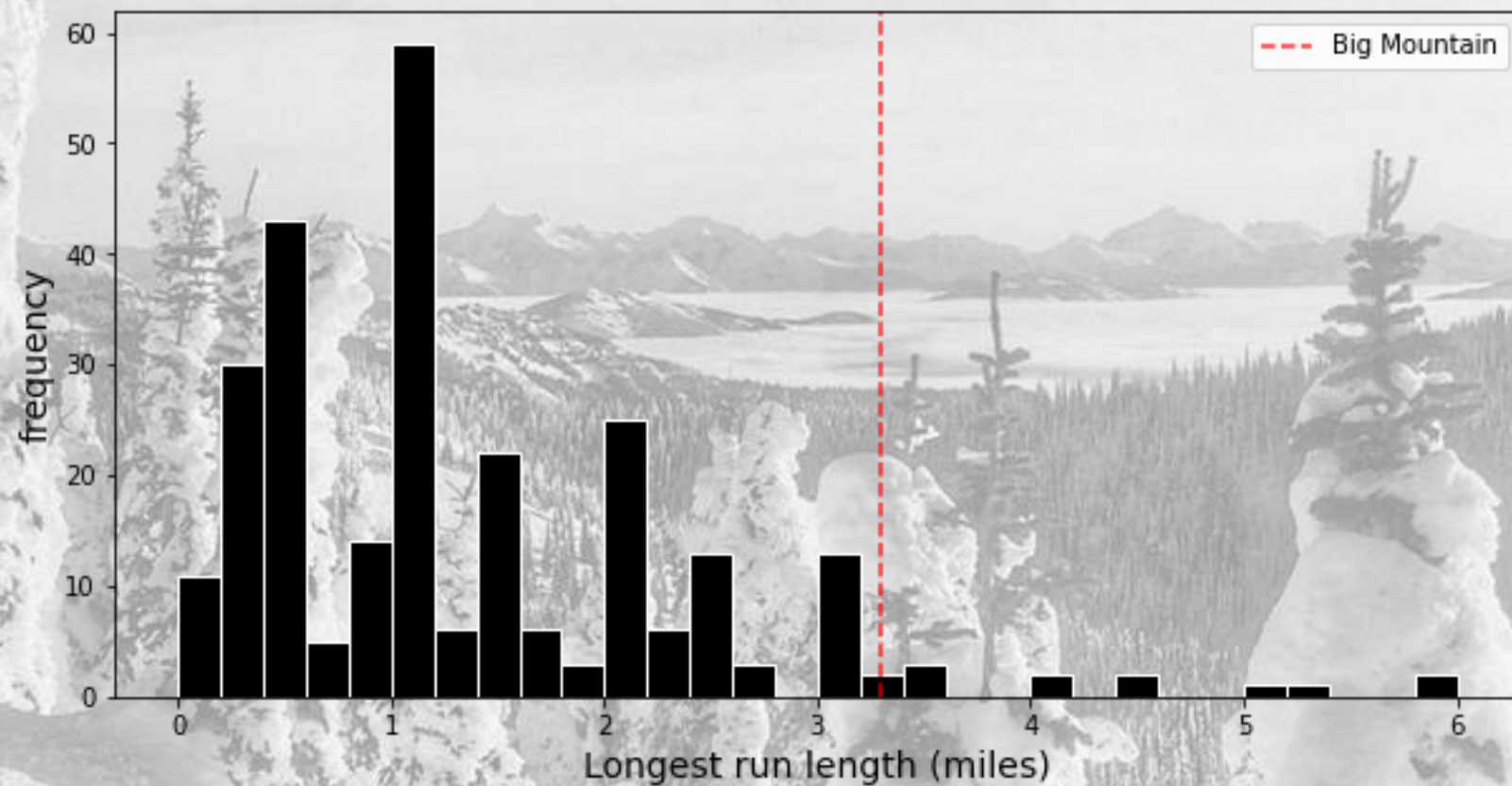**Vertical drop (feet) distribution for resorts in market share**

Feature Increase:

- 150 ft vert
- 1 chair
- 1 run
- 0-2 Acres

Ticket Increase:

- $1.99
- 350k visitors, 5x

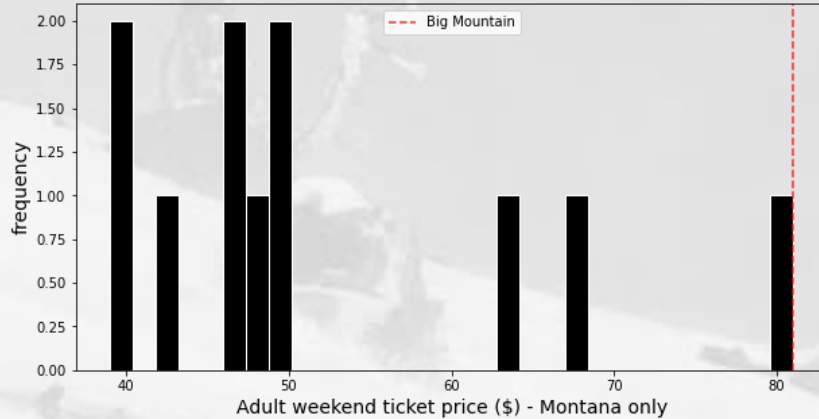Longest run length (miles) distribution for resorts in market share

3.5m long run:
$0

+$7.85M

Is Montana the Market?
- Missing: Big Sky, MT
- How about Sun Valley and Jackson Hole?
- National Average: $63
- Predicted Value of BMR: $95.87±$10.39
  $85.48 to $106.26

$85.48 is not far from $81.00 – can keep the 350k skiers and snowboarders & safest end of prediction.

Adult weekend ticket price ($) - Montana only distribution for resorts in market share

Adult weekend ticket price ($) distribution for resorts in market share
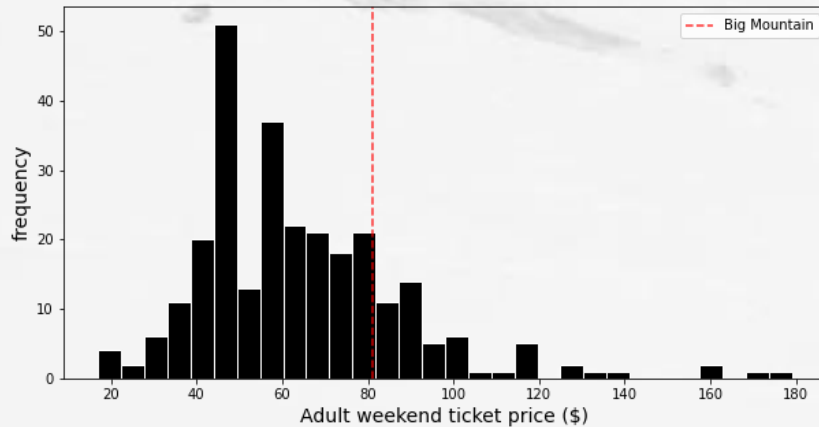
-$1.54M **+** $3.47M **-**$1.54M **+** # $7.85M?

Year	Action	Ticket	↑ Revenue	Operations	↑ Profit/yr	Total Profits
0	↑ AdultWeekend	$85.48	$7.85M	-$1.54M	$6.31M	$6.31M
1	Save	$85.48	$7.85M	-$1.54M	$6.31M	$12.6M
2	Save	$85.48	$7.85M	-$1.54M	$6.31M	$18.9M
3	Save	$85.48	$7.85M	-$1.54M	$6.31M	$25.2M
4	Save	$85.48	$7.85M	-$1.54M	$6.31M	$31.6M
5	↑ Vert 150ft	$87.47	$11.3M	-$25.0M	-$13.7M	$17.9M
6	Save	$87.47	$11.3M	-$3.08M	$8.22M	$26.1M…