

Hello: My name is Rob Megnin, presently I'm the Director of Marketing, Sales and Reservations for Pico / Killington Resorts. I'm here to address Killington's position in the market place and to support Bill H.298.

Killington Resort is a four-season destination sitting on 3,000 acres in the heart of Central Vermont's Green Mountains. The Beast of the East, as we're commonly known by, boasts 92 miles of diverse snow sports terrain spread across six peaks including Pico Mountain, served by the most expansive lift network and snowmaking system in Eastern North America. After the snow melts, Killington features an 18-hole championship golf course, the family-friendly Snowshed Adventure Center, 35 miles of mountain biking trails, plus 15 miles of hiking trails. The seemingly infinite après, dining, and lodging options have made Killington a world-class destination for East Coast skiers and riders for over 55 years. Killington is part of the POWDR portfolio.

Macro:

- Skiing is a \$1.6B industry in Vermont, and generates more than \$925M in direct spending each winter season.
- Two thirds of this direct spending occurs in communities surround the ski areas.
- Spending generates more than \$120M in tax revenues for the state.
- 12,000 jobs at full winter operation / 22,000 indirect jobs
- Winter Makes VT Unique due to the strong economic activity we see during the winter that is not evident in neighboring states like NH and NY.
- Second Home Contributions are significant.

- Spending Patterns in Ski Towns – it's not just about winter, multiplier impacts and general spend supports communities throughout the state.

Facts about Killington.

- We employ directly 1,600 or more people during our Winter season and about 600 year round, many more indirectly in our community.
- We do about 750,000 to 800,000+ visits in the Winter, and another hundred thousand the rest of the year. Our fastest growing activity segment is now downhill mountain biking checking in at 30,000 visits and growing each year.
- Our market is predominantly drive-up. 35-45% come from the NYC (Metroplex) and surrounding area (BTW: The most expensive marketplace in the country to have a presence) Boston 16-20% (second most expensive), Canadian markets about 6%, Philadelphia about 5-6%, and other markets served break down from there.
- ***All very dispersed and hard and expensive to reach. We can certainly use the help getting the message about the state in these markets.***
- We're developing new campaigns to drive Millennials, singles and families, and trying to attract the middle of the road skiers and snowboarders. Because there are so many of them but we need to appeal to reach them.
- Campaigns that drive the virtues of Vermont help sell our specific message. VT has a unique and distinct brand and it resonates with our guests. To keep that overarching message on their radar is a distinct competitive advantage over competing states!

- Internationally Killington has dropped our presence in key overseas markets over time as we used to partner with many other resorts and the state. There have been cutbacks over time making us rely on third parties to get in front of potential guests, internationally. But this comes at a cost. Commissions paid to brokers cost us in yield. And visitation has dropped because of the loss of direct contact. If we had support to go into these markets under a collective banner, as we've done in the past we could make greater inroads. *We have to be in front of people for them to understand we even exist.*
- Attending events like IPW is still very valuable. While many brokers and tour operators have heard of Killington, we now stand alone as a single resort as others have dropped out. The state used to band us together. We felt our best presence at the London Ski Show was when we came together as to promote the regions vs. Western or French Alps.
- Multiplier impacts of our biz... I've used a multiplier formula that went something like, "for every dollar spent on a lift ticket another \$9-\$12 is spent in the communities we serve." Lodging, F & B, Retail, other activities all make up that list. Arguably, the more of a destination the resort is the greater the number becomes for impacts.
- Our community and its' reliance on the resort to drive business is their economic lifeline. We have no manufacturing base or real economic diversity. So our community is reliant on tourism and our ability to attract guests to drive these multipliers. We do good, they do well. We do bad...

- There are so many competing pursuits for discretionary time and dollars and so many distractions to keep our guests from us. All the support we can muster is imperative.
- The Women's World Cup Race called the Killington Cup. Over the last three years we've produced an event that attracts worldwide attention to Vermont. We have held the event over the Thanksgiving holiday, I'm told the single largest sporting event in the state.
 - We have over 62 countries televise the event around the world (in the U.S. on NBC Sports) 120 Athletes participate (The World's best female slalom and Giant slalom skiers), with LY 39K watching live. The largest WC event on the continent.
 - Voted as one of the top 3 stops on the WC Circuit by athletes and coaches.
 - We actually lose money after all is said and done on this event. But with future marketing assistance we can continue to cut costs. And attract more guests!

Thank you for the opportunity to speak today and Killington Pico supports H:298 we hope you will as well.