

FEDERAL
RESERVE
BANK OF

SAN FRANCISCO

Monthly Review

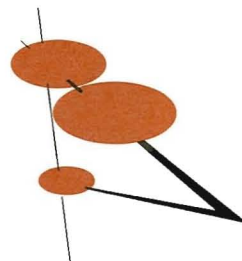
In this issue

Food Stamps and the Banks

Downhill Racers' Dollars

Fed-Funds—Western Style

Time-Deposit Rebound



October 1970

People have been skiing in one form or another for more than 6,000 years, but skiers will tell you that the ancient sport became a modern industry only about the time (circa 1960) when stretch pants came on the scene. Since then, skiing has become big business—especially in the Western states.

This year some 3.2 million skiers throughout the country will contribute their share to the \$1.4 billion “ski market.” They will take perhaps 8 million separate outings to Western ski resorts—Squaw Valley (California), Crystal Mountain (Washington), Alta and Brighton (Utah), Sun Valley (Idaho), Aspen and Vail (Colorado) and almost 200 other resorts of lesser fame. Although the amount of business handled by these resorts will depend on the vagaries of the weather and the economy, the number of visits may easily be twice the number recorded in the early 1960’s.

A recent Commerce Department study provides a profile of the typical Western skier. First of all, he is probably male. Women tend to drop out of skiing as they get older: in the 20-and-under age bracket the sex distribution is about 50-50; by age 30,

only one out of four is female; by age 40, only one out of eight is female. Skiers also tend to be young—two-thirds are under 30.

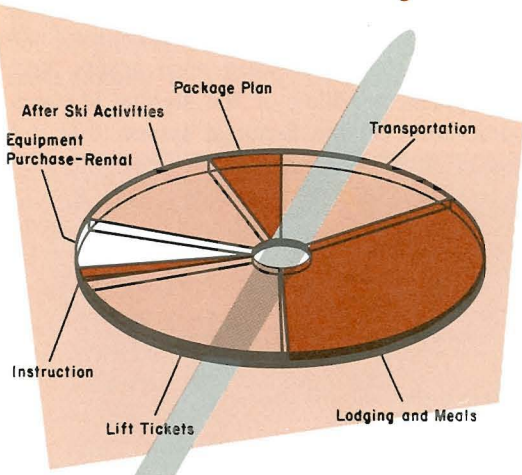
Western skiers report a median annual family income some \$2,000 greater than the public at large—one out of five earns \$15,000 or more. And they usually tend to spend more than the average vacationer. On a single-day trip a skier will probably spend \$11, while a weekend skier will spend \$25 a day and a ski vacationer will have daily expenditures of \$52.

Ski resorts—ranging from Mom and Pop ski huts to multi-million-dollar jet-setter havens—will spend between \$200 and \$14,000 apiece on advertising during the average year to attract the Western skier. Equipment and clothing manufacturers, lodging facilities, restaurants, and airlines will also spend heavily to guarantee their share of this lucrative market, which grows between 15 and 20 percent a year.

What makes a skier choose one area over another? Travel doesn’t seem to be a deterrent, as most Westerners journey 140 miles on the average to get to their favorite ski slopes. The peripatetic Californian often goes as far afield as Colorado, Nevada, or Utah for his winter fun.

Availability of lift facilities helps to determine the popularity of a ski resort. In 1955, less than 50 percent of Western ski areas offered anything except rope tows. Now 75 percent have cable facilities of some type—gondolas, aerial trams, T-bars, J-bars, or platter pulls. The cable lifts provide a more interesting choice of downhill runs, as they average a 1,000-foot vertical rise as opposed to the typical rope tow’s 383-foot average rise. By far the most popular ski areas are those which offer a lift capacity of at least 1,500,000 vertical transport feet per hour. Then, for the very adventurous, some resorts offer skiers a helicopter shuttle to peaks not yet crossed by cables.

Week-end ski budget allocates smallest share to costs of skiing



Downhill Racers' Dollars

