



STATE OF NEW HAMPSHIRE
 DEPARTMENT of NATURAL and CULTURAL RESOURCES
 DIVISION of PARKS and RECREATION
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FIS 19 117

April 18, 2019

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to RSA 216-A:3-g, the Department of Natural and Cultural Resources, Division of Parks and Recreation requests approval of the attached rate changes to the primary summer 2019 and winter 2019/20 products at Franconia Notch State Park and Cannon Mountain Aerial Tramway & Ski Area (FNSP/Cannon).
2. The Department further requests approval of the 2019/20 Cannon Mountain Winter Special Use Policy, which expands upon Cannon's standard operating parameters.

EXPLANATION

RSA 216-A:3-g requires that fees for use of park areas be designed to cover a reasonable portion of operating costs and that these fees shall be comparable with fees for use of similar privately owned facilities, all in accordance with the Department's statutory mission. The FNSP/Cannon team conducts an extensive market review when setting rates on both its marquee products and its hundreds of other products, seeking to better align its winter day ticket and season pass prices with those of its competitors in addition to its summer rates relative to its competitors, all while maintaining its position as a value leader in New England and achieving the mission of the NH Parks System. One recent excellent example is the Cannon 80 Celebration. Season pass price rollbacks resulted in sales volume and revenue levels at higher than normal spring volume. Such strategies involving well-planned rollbacks, increases, freezes and the like represent our revised plan and aggressive marketing campaign (*and continued high-level offerings, snowmaking, and grooming*) to boost overall revenue.

The team at FNSP/Cannon expects both volume and revenue increases during both the approaching summer season and the next winter season. Expected volume increases will boost that revenue next year, as well. Please see the attachments for review of fiscal impact calculations, a competitive comparison of ticket and season pass rates and Cannon's Pricing Plan regarding structure and strategy. Please note that the requested fees are maximums, may be adjusted downward to address market conditions and that Cannon's other winter revenues derived from its hundreds of other products that stem from these marquee items will certainly increase and provide added revenue.

The Winter Special Use Policy defines how passes and programs are distributed and administered consistent with ski industry standard practices. The team at FNSP/Cannon has taken a far more active approach in the last decade in utilizing the policy as a marketing and merchandising tool and heavily targets the specific audiences receiving benefits as a result of its use. The policy is adapted and adjusted annually to remain consistent with snowsports industry standards, and to meet specific needs and requests while achieving the Department's stewardship and recreation mission.

Respectfully submitted,

Sarah L. Stewart
 Commissioner

Franconia Notch State Park Cannon Mountain Aerial Tramway & Ski Area

To: The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

From: John M. DeVivo, General Manager / FNSP & Cannon

Re: Summer 2019 & Winter 2019/20 marquee pricing package submission

Date: April 18, 2019

Pursuant to RSA 216-A:3-g, the Department of Natural and Cultural Resources requests approval of the attached rate changes to the marquee summer 2019 and winter 2019/20 products at Cannon Mountain Aerial Tramway & Ski Area / Franconia Notch State Park. The department also requests the approval of the 2019/20 Cannon Mountain Winter Special Use Policy. RSA 216-A:3-g requires that fees for use of park areas be designed to recover a reasonable portion of operating costs, and that these fees shall be comparable with fees for use of similar privately owned facilities.

- Cannon season pass rates rolled back to 2010 levels, based upon last year's success in capturing season pass holders, resulting in sales volume and revenue currently well above normal spring levels. Second tier pricing (after June 1st) will increase over 2018.
- This pricing package is very carefully crafted each spring by the Cannon/FNSP team.
- This pricing package has an added comparison against the average NH-based pricing for similar experiences, and accounts for competition from multi-mountain pass products.
- This pricing package is designed to both maximize consumer value and cover costs.
- This pricing package shows the potential for an added \$241,664 in revenue (*on just the marquee summer and winter items shown*), while requesting minor rate increases
- Hundreds of other one-off products will also lead to increased winter revenues.
- The overall pricing strategy is aimed at a surplus of revenue over expense.
- Of the 25 winter products & prices before you for consideration:
 - 16 offer a better price than the average major NH ski area price; and
 - 6 have no comparison at all amongst major NH ski areas.
- Of the 6 summer products & prices before you for informational purposes:
 - 2 offer a better price than average White Mountain Attractions pricing;
 - 2 have no comparison within White Mountain Attractions pricing; and
 - 2 slightly exceed average White Mountain Attractions pricing.
- Cannon's Winter Special Use Policy is also included for consideration:
 - This policy meets RSA's, policies, and ski industry standards; and
 - This policy is designed to maximize upon usage by fringe user groups.
- This packet includes:
 - Request Letter & Summary Memo;
 - Pricing Plan & Pricing Comparison Spreadsheet; and
 - Cannon Mountain 2019/20 Winter Special Use Policy.



Cannon Mountain Winter Special Use Policy 2019/20 Winter Season

Note: Cannon Mountain Snowsports School offers a different set of (season pass / family member benefit) protocols for its paid team members, some with a lesser set of benefit parameters and a lesser work schedule requirement, and others with a greater set of benefit parameters and a greater work schedule requirement. Snowsports Instructors: please see the Snowsports School Director or Assistant Director for full details and specifications.

CANNON MOUNTAIN TEAM MEMBERS AND DEPENDENTS

Season Passes

To qualify for a season pass for himself/herself and his/her dependent(s)... each Cannon, Centerplate, or FSC paid employee, each Cannon non-paid affiliate, and each ASPNC volunteer must abide by the standards established by the "Team Member Guide" and/or "Snowsports School Contract." Employee/volunteer passes and/or family passes may be revoked at any time, for any reason, by the Commissioner, Director of Parks and Recreation, General Manager (GM), or the employee's or volunteer's department head. If an employee's (or volunteer's) season pass privileges are revoked, the revocation will apply to his/her dependents' privileges, as well.

All team members must show a valid day ticket or season pass to load a lift, and must show a season pass or Cannon Mountain ID when applicable for discounts.

For the purposes of this policy, DEPENDENTS are those individuals **who may legally be claimed as dependents** in accordance with Federal and State I.R.S. regulations. ***Violation of this policy may lead to termination and / or prosecution.***

Season passes will only be issued after the employee or volunteer has completed a season pass application and eligibility form, ***and attended the Cannon University orientation program***, and the general manager has signed the appropriate forms. **Only the general manager may waive any part of this requirement.** A processing fee will be charged for all passes. ***Season passes are not transferable and may not be sold.*** Passes are valid during employment (or while a team member is in good standing), and through the end of the ski season if the employee or volunteer is released in good standing and by agreement of the GM.

Reminder: *There may be different sets of parameters (than those listed below) for privileges relative to Snowsports School, ASPNC, or FSC, as negotiated between those department heads and the General Manager.*

Class 10 and Class 59 employees, and FTYR Centerplate, FSC, and ASPNC employees:

* Employee pass for \$10 processing fee

* Each legal dependent pass for \$10 processing fee

Full-Time Seasonal Cannon, Centerplate, FSC, and ASPNC **employees** (30+ hrs a week):

* Employee pass for \$10 processing fee

* Each legal dependent pass for \$25 processing fee

Part-Time Seasonal Cannon, Centerplate & FSC **employees** (29/fewer hrs a week):

* Employee pass for \$10 processing fee

* First legal dependent pass for \$25 processing fee

* Other dependent passes at 50% discount

Cannon Mountain non-paid affiliates and Adaptive Sports Partners of the North Country Volunteers (all such team members must meet minimum requirements set by supervisor):

* Affiliate / Volunteer pass for \$10 processing fee

* First legal dependent pass for \$25 processing fee

* Other dependent passes at 50% discount

Note: See previous statement regarding changes to Snowsports School privilege programs, and those of other programs such as ASPNC or FSC.

Employee & Affiliate - Volunteer Complimentary Vouchers

All Cannon paid employees & non-paid volunteers / Centerplate paid employees / FSC paid employees / ASPNC paid employees / ASPNC "full time" volunteers (all current and in good standing):

Shall be eligible for **three (3) 50% day ticket vouchers** per month worked to stimulate revenue generation and allow for discounted skiing/riding for any friend and / or family member. These vouchers are earned in December, January, February, and March... and are available after the first day in January, February, March, and April... and will **expire on December 31, 2020**.

These vouchers / privileges may not be sold, and their sale may result in that team member's immediate termination. These privileges may be revoked at any time by the General Manager, Commissioner, Director of Parks and Recreation, or the team member's department head.

Notes:

Each month, each department head will verify the eligibility of his / her team members. Vouchers will only be issued to **current team members in good standing.**

These vouchers will not be issued by managers. Team members must check in for them at the Guest Services Desk at Notchview Lodge, and must sign for them. Exception – Snowsports team members will pick them up at the Brookside Learning Center.

Vouchers earned in March MUST be picked up in April. They are valid until December 31, 2020, but we will not roll over voucher stock until the following season.

Rental Shop

All Cannon paid employees / Cannon volunteers / Centerplate paid employees / FSC paid employees / ASPNC paid employees (all current and in good standing):

May use basic rental equipment from the Cannon rental shop at no charge **during non-peak periods**. The Rental/Repair Manager must be contacted in advance to authorize equipment use.

Dependents of Cannon paid employees and volunteers may present their employee dependent season pass to be eligible for a **basic ski/snowboard package** for \$15.00 @ **non-peak periods**.

Non-peak periods are defined as:

Midweek/non-holiday (anytime), and/or weekends and holidays after 12:00 Noon.

Repair Shop

All Cannon paid employees / Cannon volunteers / Centerplate paid employees / FSC paid employees / ASPNC paid employees (all current and in good standing):

- Shall be eligible for one (1) voucher per month, valid for a \$25 *Wintersteiger* basic tune-up rate.
MIDWEEK, non-holiday eligibility (work completed Mon – Fri, non-holiday periods)

Retail Shops

The Cannon Mountain Sports Shop (Notchview) and the Old Man Country Store (Tramway) shall extend a 25% discount on various non-sale items to Cannon paid employees and Cannon volunteers only. In addition, the shop manager may announce special discount days on specific items. Said employees and volunteers must present their season pass to be eligible for these discounts. Pre-packaged food and beverage items at Cannon retail outlets may not be discounted.

The Cannon Mountain Sports Shop at Notchview shall continue its “*On-Snow Professionals Program*,” through which specified (departmentally) on-snow team members may receive up to a 40% discount on specified items and quantities. The program shall be rolled out in late November, and shall be managed between the Retail Manager and the respective department heads. Each team member’s item checklist shall remain at the shop after the first use, and referenced during subsequent purchases through the program.

Retail shop discount privileges do not extend to family members or friends.

Food Service (including Centerplate, Inc. venues)

All Cannon paid employees and Cannon volunteers, all paid FSC employees, and all paid ASPNC employees (in good standing):

Shall be eligible for a 50% discount on regular retail rate food items (not specialty items or off-retail items such as outdoor deck BBQ’s, etc.), excluding pre-packaged food and drinks and alcoholic beverages. Please inform the cashier that you are a team member before items are rung on the register; your employee or volunteer pass **MUST** be presented in order to be eligible for the discount. *Said discount does not apply to peak periods at the Cannonball Pub, or during specialty / after-hours functions. Food & beverage discount privileges do not extend to family members or friends.*

Snowsports and nursery programs for employees and dependents

Cannon Mountain paid employees and Cannon volunteers (not family members or friends) may participate at no charge in regularly scheduled group lessons during midweek, non-holiday periods. Such uses, however, must be requested at the desk in advance, and are subject to availability in any

given scheduled group.

Other privileges for Cannon Mountain paid employees and Cannon volunteers:

Cannon Kids, Junior Development, and seasonal nursery programs - 50% discount (anytime)
Childcare (nursery) - 50% discount during midweek/non-holiday periods
Nursery season pass - 50% discount (depending upon availability)
Programs other than group lessons, as determined by Snowsports Director - 50% off

There shall be no discounts on private lessons.

General Court (NH Legislature)

The complimentary ticket program for NH General Court members was deemed inappropriate by the Legislative Ethics Committee (January 2012).

DNCR Advisory Commission, Executive Council, and Cannon Mtn Advisory Commission

The Commissioner or Director may issue members of the DNCR Advisory Commission, the Executive Council, and the Cannon Mountain Advisory Commission up to five (5) complimentary day tickets per individual, per season, for use at their discretion. These tickets may not be sold. Any exceptions to this policy will be made in writing by the Commissioner and/or Division Director, and the General Manager will be informed of the exception. Legislators who are members of said bodies are advised that complimentary ticket programs for NH General Court members were deemed inappropriate by the Legislative Ethics Committee (January 2012).

Adaptive Skiers

In order to receive discounted day tickets, an adaptive (handicapped) skier/rider must present his/her Golden Access Passport (available for blind or permanently disabled individuals through the federal government) or a letter from a doctor on that doctor's letterhead. Upon presentation of the Golden Access Passport or the aforementioned letter, an adaptive skier/rider and one assistant (if required) may purchase an all-day ticket at half price. Day tickets may be purchased at Guest Services at Notchview. Adaptive skiers/riders may opt to purchase a season pass at a 50% discount by using said Golden Access Passport. Said season pass discount is available to the adaptive guest; it is not available to an assistant.

Military Discounts

Pending Fiscal Committee approval, all active, retired, veteran and reserve United States Military personnel may purchase day tickets and season passes at the applicable / approved 2019/20 day ticket and season pass rates with proper Military ID or discharge ID/paperwork. **Note:** the NH resident discount deadline of December 14th @ midnight (*prior to the 15th*) still applies. The discounted rates are for the service person only, and do not apply to family members or friends.

Visiting Ski Area Personnel

Ski NH member areas:

Full time employees may ski free Sunday – Friday during non-holiday periods
Part time employees may ski for \$25 Sunday – Friday during non-holiday periods

Non-Ski NH member areas:

Full-time employees may ski for \$25 Sunday – Friday during non-holiday periods
Part-time employees may ski at half price Sunday – Friday during non-holiday periods

Criteria:

A. Visitor's home ski area is operating that day

B. The individual must present a letter of introduction that meets the following criteria:

- 1) Original letterhead (no desk-top letterhead, no copies)
- 2) Original signature by manager or personnel director.
- 3) Letter must be dated (current), and must specify the date of skiing
- 4) Employee and his/her job must be named in letter
- 5) Letter must state that employee is a full-time employee
- 6) Specify that the home ski area is open
- 7) Must be accompanied by a current payroll stub that substantiates the employee's FT status.
- 8) Must be accompanied by photo ID.
- 9) One letter per person per visit; no more than 2 visits per person per week.

The General Manager and Director of Sales & Marketing may establish other reciprocal policies with other areas or organizations on a limited case-by-case basis.

Discounted tickets on this program may be purchased at Guest Services at Notchview.

PSPA, PSIA, NSPA

Members of the Professional Ski Patrol Association (PSPA), Professional Ski Instructor's Association (PSIA) and the National Ski Patrol Association (NSPA) may ski for \$25 on any day with proper identification. The member must present a current PSPA, PSIA or NSPA card at the Guest Services desk at Notchview.

Rescue Services

Members of the following services may ski for \$25 on any day:

Androscoggin Valley Search & Rescue, Pemi Valley Search & Rescue, Mountain Rescue Service, New England K-9, Upper Valley Wilderness Rescue Team

Criteria:

Member service must provide a list of its members prior to tickets being issued
Visiting member must provide a valid ID card from the member service
Privilege extends only to the service member, not to friends or family members.

Visiting Ski & Snowboard Shop Employees

The employee must present a dated letter of introduction on shop letterhead (no copies, no desk-top letterhead) signed by the shop owner/manager, a photo ID, and current paycheck stub. No privileges will be extended without a letter.

The employee's name must appear on a list of approved employees **submitted by the ski shop to Cannon by the shop owner or manager.**

The employee may exchange the letter for the appropriately priced lift ticket at Guest Services at Notchview, where the letter will be retained and kept on file.

Shops that participate in Cannon marketing programs and/or are full members of Franconia Notch Chamber of Commerce, Lincoln-Woodstock Chamber of Commerce, Littleton Chamber of Commerce, Twin Mountain Chamber of Commerce, Pemi Valley Chamber of Commerce, or the Mt. Washington Valley Chamber of Commerce will have the following privileges:

Shop Owners and Managers:

Maximum of 2 owners per organization, w/1 store manager per location:

Free skiing/riding on any day, with the following exceptions:

Christmas Week 2019, New Year's Weekend 2019/20, MLK Weekend 2020, and Presidents' Week 2020

Full-time and part-time employees:

Free skiing/riding Sunday through Friday non-holiday

\$25 Saturdays and holidays

All other shops (not on Cannon co-op programs or affiliated with the local Chambers of Commerce):

Owners, managers, full-time and part-time employees:

\$25 Sunday through Friday non-holiday

\$25 Saturdays and holidays

The General Manager and Director of Sales & Marketing may establish reciprocal policies with other shops or organizations on a limited case-by-case basis.

Ski & Snowboard Industry representatives

Recognized New England ski & snowboard company "**Sales Reps**" and "**Technical Reps,**" as outlined in the New England Winter Ski Representatives (NEWSR) Guide Book (ex. Blizzard, Salomon, Burton) will have the following privileges:

Complimentary skiing & riding on any day, as arranged by the Director of Sales & Marketing. Said tickets are to be procured at the Guest Services Desk at Notchview. Said privileges extend only to the company sales or tech rep, and do not apply to friends or family members.

Special programs for NH youths: Teams, Special Needs, School/Recreation Groups

Qualifying organizations wishing to participate in these programs must organize and make reservations through the Sales Office prior to the first ski date. All lift tickets will be issued at Guest Services at Notchview. Misuse of special group programs and tickets may result in revocation of all privileges for users of these programs.

New Hampshire School Teams

Competitive ski teams from all secondary schools, and collegiate teams representing the University System of New Hampshire and the New Hampshire Technical Institute/Colleges, consisting of a minimum of four (4) and a maximum of twelve (12) members under supervision, will be permitted to ski for ten (10) midweek/non-holiday days at an annual \$175 registration fee rate. One permit per season is allowed for each men and women's team, though one permit may be used for both male and female athletes. Weekend/holiday tickets will be sold at regular group rates by pre-arrangement with the mountain's Sales Manager. Race Day Tickets: when bibs are to be used for lift access, New Hampshire School Team program tickets may not be issued. If athletes and coaches wish to ski as a team on that date, then tickets will be issued after the race has finished. These team tickets are not for parents / chaperones, only for training / racing athletes / coaches. ***On-hill gate training must be pre-arranged with the Franconia Ski Club.***

The ski area will log the team's days of skiing, team members and serial numbers of tickets issued. After the permitted number of days/tickets have been used, the team may utilize the rate structure outlined in the section titled "*New Hampshire School and Recreation Youth Groups.*"

Special Needs Children's Groups

Special needs children's groups from New Hampshire not associated with a public school system (e.g. *disabled, orphaned, emotionally disturbed, abused and underprivileged*) may ski/snowboard mid-week/non-holiday through prior arrangement with the Sales Manager (reservations required). Organizations wishing to participate in the program must present a copy of their license from the State of New Hampshire upon their first visit. Groups may not exceed 50 youths per visit. No minimum number of people to qualify for rates; five (5) visits per organization per season. **Fees are as follows:** Youth (age 6-17) \$12 // Chaperone (1 per 6-10 youths) \$12 // Additional adult @ current adult group rate. Snowsports School Group Lessons @ \$15 per person // Basic Rental Package @ \$15 per person // Helmet rental @ \$5 per person // Damage waiver @ \$1 per person.

New Hampshire School and Recreation Youth Groups

Any and all NH elementary or secondary students engaged in a school or community field trip may ski/snowboard during non-holiday periods through prior arrangement with the Sales Manager (reservations required). Groups may not exceed 100 youths per visit and must have at least 12 people per visit to qualify for rates. Maximum of five (5) visits per organization per season. **Fees are as follows:** Midweek Youth (age 6 – 17) \$18 // Weekend – Holiday Youth \$24 // Midweek Chaperone \$18 (1 per 6-10 youths) // Weekend – Holiday Chaperone \$24 // Additional adults @ current adult group rate. Snowsports School Group Lessons: \$15 midweek / \$18 weekend – holiday // Basic Rental Package: \$15 midweek / \$20 weekend – holiday // Helmet Rental \$5 // Damage Waiver \$1.

School Release Programs

Schools that wish to commit to bring students to Cannon one day per week (midweek/non-holiday) for 4 - 6 consecutive weeks may pay a one-time (per child) flat rate for day tickets, Snowsports School lessons and rentals that will be determined by the Snowsports School Director and Rental Shop Manager, and approved by the General Manager.

New Hampshire State Employees

Individuals currently employed by the State of New Hampshire, and whose agency or working group

is a part of the **State's current Collective Bargaining Unit (CBA)** and listed as such, may ski for **half the price of that particular day's FULL-DAY ticket price** (ex. \$82 @ 50% = \$41 ticket) on any particular winter season date. Adult day tickets and Tuckerbrook-Eagle tickets only, employee only, no other discounts apply. Also – said CBA member State Employee may purchase his/her applicable season pass at half of the applicable rate (no stacking discounts, ex. ½ price State Employee + NH 25% NH Res discount), only the higher of the two discounts will be acceptable. Said CBA member State Employee **MUST** show **proper and current** State Employee identification.

Members of the Media

Writers and other journalists may receive complimentary day tickets by arrangement with the Director of Sales and Marketing, or in his/her absence the General Manager. These day tickets will be issued at the Guest Services Desk at Notchview Lodge.

Commissioner, Director, GM, and DSM Discretion

At the discretion of the Commissioner, Director of Parks & Recreation, General Manager, or Director of Sales & Marketing, complimentary day tickets (or use at a reduced cost) may be issued in exchange for volunteer ski patrol, courtesy patrol, photography, promotional, medical or other services of operational or marketing benefit to Cannon Mountain or the Division of Parks and Recreation. Complimentary lift privileges shall not be exchanged for goods / product.

Non-paid Affiliates

The General Manager or applicable department head may approve persons interested in participating in Cannon's various non-paid affiliate programs in writing. Non-paid affiliate programs may have clear and concise written job duties, which may be approved by General Manager. Non-paid affiliates may be asked to sign a liability release form.

Non-paid affiliates may offer to assist on a number of days specified by that particular program leader. The affiliate will receive a team member season pass for himself / herself for a \$10 processing fee. Non-paid affiliate dependent passes can be purchased for the applicable discounts outlined in section I.

Non-paid affiliates may or may not be asked to return as such in each (any) successive winter season, depending upon his / her success rate with meeting Cannon's standards / protocols during the current season, and whether or not he / she may be deemed a good fit for the Cannon team.

NH Seniors aged 65 and older

Pursuant to RSA #218:5-c, NH residents aged 65 and older **effective December 14th, 2019** are eligible for complimentary lift tickets **for personal use** during midweek periods (defined as Monday – Friday), Proper identification, such as a NH Driver's License or non-driver NH ID card, is required. A NH Senior Midweek Pass, valid each Monday – Friday without exception, is available for an annual processing fee. Transactions may be made at the Guest Services desk at Notchview.

Children under the age of 6

Children who are **under the age of 6 on that day** may ski/snowboard for free (with a day ticket) when a ticketed (or season pass holding) adult accompanies them. A season pass (no restrictions) is available for children who will be **under the age of 6 effective December 14th, 2018** for an annual processing fee. Transactions may be made at the Guest Services desk at Notchview.

Holiday Definition

Christmas Holiday Period, 2018: December 26, 2019 – January 1, 2020

- a. Holiday rates every day
- b. **Tuesday/Thursday Value Day and NH Resident Wednesday pricing TBD**
- c. NH Seniors may ski free Monday - Friday
No free/discounted tickets for: groups covered in Section VI (Visiting Ski Area Personnel) and Section IX (Special Programs for NH Youths)
- d. Ski Shop Employees, Owners and Managers (per Section VIII) pay \$25/day

Martin Luther King Jr. Weekend: January 18 – 20, 2020

- a. Holiday rates every day
- b. NH Seniors may ski free on that Monday
- c. No free/discounted tickets for groups covered in Section VI (Visiting Ski Area Personnel) and Section IX (Special Programs for NH Youths)
- d. Ski Shop Employees, Owners and Managers (per Section VIII) pay \$25/day

Presidents' Week Holiday Period: February 17 – 21, 2020

- a. Weekend/Holiday rate every day.
- b. **Tuesday/Thursday Value Day and NH Resident Wednesday pricing TBD**
- b. NH Seniors may ski free Monday - Friday
No free/discounted tickets for: groups covered in Section VI (Visiting Ski Area Personnel) and Section IX (Special Programs for NH Youths)
- d. Ski Shop Employees, Owners and Managers (per Section VIII) pay \$25/day

State of New Hampshire // Department of Natural & Cultural Resources
Cannon Mountain Aerial Tramway & Ski Area // Franconia Notch State Park - Marquee Products
Proposed Pricing and Comparative Data Submitted for Fiscal Committee review (Spring 2019)

4/23/2019

Description	Actual 2018/19	Proposed 2019/20	Change	PROJECTED REVENUE		COMPARATIVE PRICING							
				3-Year Average	Increased Revenue	These (2018/19) day ticket and season pass prices will likely increase						Cannon vs NH avg	
						Attitash	B-Woods	Loon	Sunapee	Waterville	Avg		
Cannon Winter Products													
Lift Ticket (unrestricted)					\$ 96,360								
Adult 1-Day	\$ 79	\$ 82	\$ 3	12,534	\$ 37,602	\$ 89	\$ 95	\$ 98	\$ 95	\$ 93	\$ 94	\$ (12)	
Teen/College 1-Day	\$ 66	\$ 69	\$ 3	4,112	\$ 12,336	\$ 67	\$ 75	\$ 88	\$ 75	\$ 83	\$ 78	\$ (9)	
Military 1-Day	\$ 55	\$ 58	\$ 3	541	\$ 1,623	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Jr/Sr 1-Day	\$ 57	\$ 60	\$ 3	1,973	\$ 5,919	\$ 67	\$ 60	\$ 83	\$ 65	\$ 73	\$ 70	\$ (10)	
* Tuckerbrook/Eagle Area Ticket	\$ 50	\$ 52	\$ 2	1,250	\$ 2,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Tues/Thurs/Superbowl (2-for-1 Adult)	\$ 79	\$ 82	\$ 3	3,662	\$ 10,986	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Tues/Thurs/Superbowl Single	\$ 52	\$ 55	\$ 3	354	\$ 1,062	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
NH Resident Wed Ticket	\$ 25	\$ 29	\$ 4	6,083	\$ 24,332	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
NH Senior 65+ Midweek	\$ 0	\$ 0	\$ -	2,860	\$ -	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Season Pass (unrestricted)					\$ 62,444								
Adult Non-NH Res	\$799	\$ 829	\$ 30	524	\$ 15,720	\$629	\$819	\$1,139	\$939	\$1,078	\$921	\$ (92)	
Adult NH Res (prior to Dec 15)	\$599	\$ 621	\$ 22	846	\$ 18,612	\$629	\$819	\$1,139	\$939	\$1,078	\$921	\$ (300)	
Adult Military Non-NH Res	\$385	\$ 385	\$ -	42	\$ -	\$629	\$819	\$1,139	\$939	\$1,078	\$921	\$ (536)	
Adult Military NH Res (prior to Dec 15)	\$289	\$ 289	\$ -	104	\$ -	\$629	\$819	\$1,139	\$939	\$1,078	\$921	\$ (632)	
Teen/Sr NH Res (prior to Dec 15)	\$499	\$ 529	\$ 30	256	\$ 7,680	\$399	\$629	\$869	\$489	\$671	\$611	\$ (82)	
Senior Military Non-NH Res	\$235	\$ 235	\$ -	28	\$ -	\$629	\$629	\$869	\$489	\$671	\$657	\$ (422)	
Senior Military NH Res (prior to Dec 15)	\$176	\$ 176	\$ -	33	\$ -	\$629	\$629	\$869	\$489	\$671	\$657	\$ (481)	
Junior Non-NH Res	\$449	\$ 459	\$ 10	240	\$ 2,400	\$399	\$399	\$739	\$569	\$581	\$537	\$ (78)	
Junior NH Res (prior to Dec 15)	\$337	\$ 344	\$ 7	236	\$ 1,652	\$399	\$399	\$739	\$569	\$581	\$537	\$ (193)	
Young Adult Non-NH Res	\$499	\$ 569	\$ 70	130	\$ 9,100	\$399	\$399	\$359	\$939	N/A	\$419	\$ 150	
Young Adult NH Res (prior to Dec 15)	\$374	\$ 426	\$ 52	140	\$ 7,280	\$399	\$399	\$359	\$939	N/A	\$419	\$ 7	
Other Marquee Items					\$ 4,635								
Adult Single Day Rental Package	\$43	\$45	\$ 2	2,242	4,484	\$49	\$49	\$48	\$45	\$49	\$48	\$ (3)	
Adult Group Snowsports Clinic	\$40	\$35	\$ (5)	747	(3,735)	\$40	\$99	\$99	\$70	\$49	\$71	\$ (36)	
Cannon Kids/Mtn Explorer Full Day	\$113	\$116	\$ 3	407	1,221	\$99	\$149	\$196	\$155	\$170	\$154	\$ (38)	
Adult Tramway Round Trip	\$19	\$20	\$ 1	2,389	2,389	N/A	N/A	\$19	N/A	N/A	\$19.00	\$ 1	
Junior Tramway Round Trip	\$16	\$17	\$ 1	276	276	N/A	N/A	\$17	N/A	N/A	\$17.00	\$ -	
				Minimum Est Rev Inc	\$ 163,439								
FNSP Summer Products						Att Lifts '18	Lost River '18	Loon Gon '18	Wildcat '18	Polar Caves '18	Avg	FNSP vs. Avg	
Adult Discovery Pass (Tram/Flume Gorge)	\$30	\$31	\$ 1	30,274	\$ 30,274	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Junior Discovery Pass (Tram/Flume Gorge)	\$24	\$25	\$ 1	4,415	\$ 4,415	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Adult Flume Gorge	\$16	\$16	\$ -	110,958	\$ -	N/A	\$ 21	N/A	N/A	\$ 20	\$ 20.50	\$ (5)	
Junior Flume Gorge	\$14	\$14	\$ -	14,499	\$ -	N/A	\$ 17	N/A	N/A	\$ 15	\$ 16	\$ (2)	
Adult Tramway Round Trip	\$18	\$19	\$ 1	38,816	\$ 38,816	\$ 17	N/A	\$ 19	\$ 17	N/A	\$ 17.67	\$ 1	
Junior Tramway Round Trip	\$16	\$17	\$ 1	4,720	\$ 4,720	\$ 17	N/A	\$ 15	\$ 13	N/A	\$ 15	\$ 2	
				Minimum Est Rev Inc	\$ 78,225								
				Total Est Rev Inc	\$ 241,664								

Comments

Winter
Cannon's 9-year season pass price ROLLBACKS (continuing its Cannon80 campaign) have thus far resulted in season pass revenue and volume at higher than normal volume and increasing new passholder volume.
Cannon expects that such price rollbacks, in addition to a few key product additions such as the Young Adult Pass, will continue to DRAMATICALLY increase its season pass revenue.
Cannon's pricing structure and excellent on-hill product allows for excellent brand positioning as the "Value Leader" in New England. \$29 NH Wednesday aimed at value for NH residents and continued improvement in Wednesday visitation.
Cannon believes that this product / pricing mix of specifically targeted increases, freezes, and rollbacks will work extremely well with its target audience. Ex. Adult Group Snowsports Clinic sales declined; sales boost expected with reduction.

Summer

Discovery Passes (both venues / combined ticket) are sold at both the Aerial Tramway and Flume Gorge and perform very well, with no comparable product in New England.
Summer retail rates at both the Flume Gorge and Aerial Tramway remain among the best value among the White Mountains Attractions Association member venues.
Increased and better targeted marketing and improved relationships with lodging properties have driven (and will continue to drive) individual venue and Discovery Pass usage.
Flume Gorge rates locked in place this year; capital and expanded offerings discussion ongoing relative to future price bump. Aerial Tramway rates bumped by \$1 to add revenue.

TITLE XIX

PUBLIC RECREATION

CHAPTER 216-A

EXPANSION OF STATE PARK SYSTEM

Section 216-A:3-g

216-A:3-g Fees for Park System. –

The commissioner of the department of natural and cultural resources, in consultation with the director of parks and recreation, shall establish fees for access to and use of the state park system. The fees approved by the commissioner, after prior approval of the fiscal committee, shall not be subject to the provisions of RSA 541-A, so as to provide the department with the ability to maximize revenues and to adjust fees according to market conditions and trends as is the common practice in private industry. Any change to the fees for access to or use of the state park system proposed by the commissioner shall take effect no later than 60 days after such change is proposed, unless the fee change is denied by the fiscal committee of the general court. Said fees shall be consistent with the following criteria:

I. Fees for the use of park areas shall be designed to recover a reasonable portion of budget expenses consistent with the purposes of RSA 216-A:1 and 216-A:3. The general court does not intend that all park facilities be self-supporting.

II. Fees for the use of campgrounds and ski lifts shall be comparable with the fees for use of similar privately owned facilities. The operation of all enterprise functions within the park system, including ski lifts, food service, retail facilities, campgrounds, and other concession activities, shall be as profitable as possible, within the purposes of the park system.

III. [Repealed.]

IV. No disabled veteran of this state, upon providing satisfactory proof of a service-connected disability, shall be charged a fee for day-use admission to the state park system. Special number plates issued to disabled veterans pursuant to RSA 261:86 or a letter issued by the United States Department of Veterans Affairs certifying that the veteran suffers from a service-connected disability shall constitute satisfactory proof under this section. Any fees for the use of enterprise activities as defined in paragraph II shall be charged.

V. (a) Upon presentation of military identification, any active member of the armed forces who meets the minimum requirements for satisfactory membership, as defined in federal regulations, shall not be charged a fee for admission to day-use areas of the state park system. In this section, "armed forces" means armed forces as defined in RSA 21:50, II and includes active and reserve members of the New Hampshire national guard.

(b) Any New Hampshire national guard member who retired in pay grade E6 or below shall not be charged a fee for day-use admission to the state park system.

(c) Any fees for the use of enterprise activities as described in paragraph II of this section shall be charged.

VI. No admission fee shall be charged for day use of the state park system to the occupants of a

vehicle with a number plate bearing a special registration plate symbol authorized by RSA 261:75-c. Any fees for: (a) enterprise activities as defined in paragraph II, (b) metered parking after June 15 and before September 16, (c) metered parking on weekends and holidays on or before June 15 and on or after September 16, (d) more than 6 consecutive hours of metered parking, or (e) metered parking for residential use or business employee use, shall be charged to occupants of such vehicles.

VII. (a) The commissioner shall periodically review all fees paid for entrance into and use of state parks.

(b) The commissioner may immediately begin to accept donations for the use and maintenance of Jericho Mountain state park and shall require fees for the entrance into and use of Jericho Mountain state park beginning on or before January 1, 2011. All fees generated by Jericho Mountain state park shall be deposited into the state park fund established in RSA 216-A:3-i. Such fees shall be based on revenue projected in the master plan and shall be in addition to registration fees for vehicles, all terrain vehicles as defined in RSA 215-A:1, I-b, and off highway recreational vehicles as defined in RSA 215-A:1, VI.

(c) [Repealed.]

VIII. The commissioner may adopt parking fees or charges within the state park system that assess an increased rate for parking on holidays and weekend days with high traffic rates unless such plan for parking fees and charges is denied by the fiscal committee of the general court as provided by this section.

Source. 1985, 389:6. 1991, 355:62. 1993, 358:24. 1995, 308:127, X. 1996, 210:6. 2003, 153:1; 282:1. 2010, 373:1, eff. Jan. 1, 2011; 374:6, eff. July 26, 2010. 2011, 184:2, eff. June 14, 2011. 2012, 274:2, eff. June 20, 2012 at 12:01 a.m.; 276:1, eff. Aug. 18, 2012; 276:4, eff. June 20, 2012 at 12:02 a.m.; 277:1, eff. June 20, 2012. 2016, 191:1, 2, eff. July 1, 2016. 2017, 156:14, I, eff. July 1, 2017.