

Newsweek

Big companies don't own every ski resort in North America. Here's an entrepreneurial couple who are mom-and-pop.

It's Mueller Time

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— Micheal Berry, President
National Association of Ski Areas



Okemo Mountain Resort, family-owned and family friendly, has been run by Tim and Diane Mueller for 23 years

BY DANIEL MCGINN

In the past decade the ski industry has surely gone corporate, with publicly traded companies like Vail buying up resorts and diversifying into hotels. But as the M.B.A.s schuss into ski country, there remain some traditionalists who believe stocks and snow don't mix. Prominent among them are Tim and Diane Mueller, among the most successful of the remaining mom-and-pop ski moguls.

The Muellers, high-school sweethearts who grew up on New York's Long Island, became

involved in the vacation biz in the 1970s when they helped Diane's parents develop resort communities in Vermont and the Virgin Islands. In 1982 the Muellers, then in their early 30s, borrowed heavily to buy Okemo, then a backwater ski area in Ludlow, Vt., that was in desperate need of upgrading—their old Poma lifts were the stuff of lore and sores. Over the next few years they added slope-side condominiums, trails, lifts and lodges, and skiers took notice. Today Okemo has twice as many lifts and three times the trails it did in 1982, and it's routinely ranked

as one of the East Coast's top-rated family ski areas, drawing 600,000 skier visits a year.

As their resort grew, the couple (Tim is president; Diane is executive vice president in charge of HR, marketing and design) received calls from investment bankers offering to help them cash out, but they've resisted the lure of going public. "I don't think Wall Street understands the ski industry," Tim says. "You have to remember that the ski industry is capital-intensive, labor-intensive, weather-dependent—it's not your typical M.B.A.'s

prime business candidate."

The Muellers, who also run Mount Sunapee in New Hampshire, say their decision to remain independent allows them to spend capital as they please and make decisions quickly. "Tim and Diane are a classic example of a family-run company—incredibly dedicated, incredibly sincere in their efforts," says Michael Berry, president of the National Association of Ski Areas. Today their company—which they own with a son who works in the business and a daughter who's on the U.S. snowboard team—grosses an estimated \$100 million a year.

Lately the Muellers have turned their sights westward. After a deal to buy Steamboat Springs in central Colorado fell apart, last March the couple borrowed against their existing holdings to buy Crested Butte resort, 200 miles southwest of Denver. Since taking over, the Muellers have invested \$6 million in lifts, snow grooming and restaurants.

Among locals, there were real worries that a big corporation would buy Crested Butte and begin building too many condos or opening stores that would suck such customers out of existing businesses. They're relieved that hasn't happened. "The thing that impressed me is that the first thing the Muellers did was fix the ski area," says Crested Butte Mayor Jim Schmidt. Based largely on rising expectations for how the new owners might improve the mountain, Schmidt says, real-estate values are skyrocketing; lot prices have doubled and home prices are up 50 percent. Which is proof the stock market isn't the only way to get rich off skiing.