

Epic By Nature Episode 29: The Strength of Our Network: What It Means for Employees, Guests, and Shareholders

BROOMFIELD, Colo., June 23, 2026 — For nearly two decades, Vail Resorts' integrated network of world-class resorts has been at the heart of the company's success. But as the ski industry evolves, that owned-and-operated model is becoming even more important to the future of growth.

In the latest episode of Epic By Nature, CEO Rob Katz sits down with his chief of staff to discuss why Vail Resorts believes its integrated network of resorts remains one of its greatest competitive advantages. Together, they explore how the company's scale, shared technology platforms, and unified culture help create opportunities for employees, enhance the guest experience, and drive long-term value for shareholders.

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Full Episode Transcript

Rob: Welcome back to Epic By Nature. I'm Rob Katz, CEO of Vail Resorts. On today's episode, I want to dive into something that seems to be coming up a lot recently, especially from some rather loud voices. It's about one of our biggest strengths as a company, a strength that many seem to misunderstand, the power of our owned-and-operated integrated network of 42 world-class resorts that is at the heart of our business model.

That network is what has enabled our success over the past nearly 20 years. It's what made the Epic Pass possible, that reshaped the global ski industry. But more importantly, it's what will allow us to innovate across our resorts in a way that uniquely elevates the guest experience and allows us to better market to our guests, whether for lift tickets or passes and better communicate and engage with our guests. This is how we will drive value in the future.

As I said when I first came back to the CEO role one year ago, passes, both Epic and Ikon, as important as they are, will not be the defining story of the ski industry going forward. It will be about the guest experience. Just as this industry shift is happening, we have seen some folks question why it makes sense for our company to own and operate our resorts and suggesting maybe we sell some of our biggest and most iconic resorts, that somehow it would be better for the company and our communities, that we are worth more broken apart than we are being together, and that if we don't do this, some shareholders may try to force us to do it.

I understand that some Wall Street folks will always think that a company is better broken up than together. I spent 14 years on Wall Street and absolutely understand that world and what some shareholders may think they want. I also understand why this does not make any sense for us or for our shareholders.

But I get questions about it from many of our team members. So today, my Chief of Staff, Sara, is going to help me unpack all of this. Everything from why and how our network gets its strength, to understanding why these questions are being raised now, to how we approach aligning with our investors. If nothing else, to try and break apart for our employees, fact from fiction.

Sara: Okay, Rob, so let's start at the beginning. What is it about our network of resorts that is so foundational to our business model and success as a company?

Rob: Yeah. The network of resorts was critical as we were building a season pass program. So way back when, more than almost... It's now almost 20 years ago, when we came up with the idea to create the Epic Pass and to make season passes a defining feature of the company, something that would provide tremendous stability, not only for the company, but for our communities.

We realized that it would be important that when we were offering a season pass that we offered more resorts to people, that people had choice because it's one of the great things about the ski industry is that no two ski areas are alike. And skiers and riders all over the world like that diversity and choice. And so if we were going to offer people a product that they had to buy before the season, we knew that the more resorts we could put on the pass, the better.

We also knew that it would be important to have resorts in a number of locations around North America and ultimately around the world so that people could participate and benefit from the different weather patterns that occur during a season. And I think this past season is a great example because while Colorado and Utah and Tahoe had really challenging weather, the Northeast had an amazing ski season. And so a lot of our passholders in the Northeast got a chance to use their passes in our Northeast resorts. So having that network was critical as we built a season pass that would be transformative.

Now we also thought that it would be critical for us to own and operate our resorts within that network to make the season pass successful. It was critical that our resorts would really get behind it 100%, and I think that's how we got our company to the point where 75% of our visits are coming on a pass. When you look at this past season, again, that was an incredibly important step in terms of allowing us to weather, no pun intended, this past season.

Now it's also important to understand that while we were acquiring resorts over the last 15 years to make our pass better, we also took the step to integrate those resorts, to bring all of these ski mountains together under one platform, under one culture, under one technology system, to try and use best practices across all of our resorts to try and have everyone actually get better.

The first was that we thought there was tremendous power in creating a career path for the people who worked at our resorts. We thought that there was a unique opportunity for our company to actually allow people to join the ski industry and have a more rapid progression in their career. Historically, because each resort was kind of on its own, somebody would join and they'd have to wait for their boss to retire or leave, and very often you didn't see that kind of career progression that you see in many other industries. For our company, because we now had a lot of resorts, we were able to give people this opportunity. They could join as a lift operator in one resort, they could move up to a lift supervisor in another resort, they could move up to management in another resort.

But to do that, we needed a unified culture and a unified way of doing things. And I think you look back over the last 15 years and while there's no doubt that our season pass has been incredibly successful, I actually think the career progression that we've created within the company where you see every time we are looking to promote a new GM or COO of one of our resorts, we, 95% of the time, are promoting from within because we've created this incredible progression for people. So this career piece and talent piece was really important.

The second piece was that our ultimate goal in bringing the resorts together was not just about a season pass, it was about creating a way to elevate the guest experience across all of our resorts.

Sara: Yeah, Rob, I think those are all really good points, but I am really curious to hear a little bit more around how this model really can benefit our guests from a guest experience standpoint when they're in resort, or maybe even when they're thinking about booking their trip to one of our locations.

Rob: Yeah, that is a valid question because while we were building this network, again, over 15 years we went from five resorts to 42 resorts, and we built this season pass program from a couple of hundred thousand units to almost 2.5 million units at one point. I think we didn't actually have the bandwidth to also elevate the guest experience in some of these other ways. I think we really clearly made some huge improvements on selling season passes and we also did some great innovations around introducing RFID and making it easier for people with the mobile pass where you can use your phone to get on the mountain. So like lift access, we really did a lot with.

But in so many other areas, we didn't actually showcase what we could do as a company. And I do think, yeah, there are critical ways that we can make a difference. And that is all the things that we're talking about as we go forward, things like gear, ski

school, food and talent, people who are at our resorts, which in the end are the most foundational critical piece to delivering guest experience.

But when you think about all these areas, these are all places where season passes and how you get on the mountain has had a lot of innovation. All of these other parts of the ski and snowboard experience have not really seen any innovation over the last 30 to 40 years. And so I think our company, because of our size and scale, has a unique opportunity to truly transform these other areas. In gear, we've talked about My Epic Gear quite a lot and it's an opportunity to get people the gear that they want, when they want it, without having to actually bring it or carry it to the slopes.

I think the same is true for a ski school. Also, an amazing experience, critical, and one that hasn't changed much.

This past year we introduced kind of this digitization of the ski school experience where when you go and take a group lesson at one of our resorts, we are tracking how you're doing. We're taking photos of you. We're literally having the instructor put down almost like in a report card format, how you're doing, what you're working on. And so you have it in your app when you leave and the next time you come to one of our resorts to take another lesson, it's right there. And so the next instructor, the next person you're taking a lesson from, no matter what resort it's at, ultimately we'll be able to track you. And that's an amazing thing to do for you and an even better thing to do for your kids.

You're going to hear us talk more later this summer about some opportunities in private ski school where candidly, again, an amazing experience, but one that really could use a little bit of a refresh in terms of what private ski instruction is all about because it's not just about the instruction.

Food. Another area where we think we can elevate by using our size and scale, the quality of the food, and ultimately bring technology and best-in-class approaches to how people get their food to make that experience better.

And then maybe most importantly, it's about people. And I think our company back in 2021, 2022, had some very public issues with not having enough staffing in our resorts. We made a critical decision that year to invest \$175 million into our seasonal frontline staff. Every year since then we have been fully staffed and have been in this terrific position. Part of that is that investment.

But another part is that we are using technology to recruit in best in class ways to bring people into our resorts to work. We're doing a better job selecting people to come to the resorts by giving people screenings so we know we're bringing in people who are oriented towards guest service. Our return rates year after year are, actually continue to go up and are at record levels.

And then finally, I think just we introduced workforce planning, which is a technology that allows all of our staffing and scheduling decisions to be done in a more unified way. It's actually allowed us to get more hours to each employee and hire less employees, which means less people need housing. We don't need as many people in the resort, which reduces the impact there, but we're actually getting just as many hours as we need. And when you look back at this last season, we've been really candid about this. We saw huge increases, record levels of guest satisfaction scores. And one of the primary drivers of that was our staffing scores.

And all of these areas are things that, if you're a standalone resort on your own, it's hard to innovate around this. It's hard to put the capital around this. We think some of these solutions can only be delivered if you do have a network of resorts and the support that goes with that.

Sara: Okay. So I guess I have to ask the question then. What about other models that are out there, specifically ones that don't anchor towards this owned-and-operated concept but are more focused on that partnership model? What about those and how they approach the business?

Rob: Yeah. And I think a lot of those models have been successful in selling passes and in converting people who want to go to

a lot of these other resorts, including a lot of so-called independent resorts.

And I actually think that's been a great thing for the ski industry. I don't think it's been a bad thing. And I said when a lot of these models started coming onto the scene that I really welcomed them because I think it has helped provide stability to the whole industry. But I do think there are a number of drawbacks in this and certainly when you look at our biggest competitor, our biggest competitor, although they've relied on partners, has also been quite acquisitive where they could buy resorts. And so it kind of highlights that I think it's not just us, but others that see that there are some challenges in just having a partnership model.

And I can go through a handful of them and why we have really avoided it because I do get this question from a lot of people. When you have a partnership model, you're only getting a very small percentage of the revenue that comes from season passes. So it makes it hard to do things like lower the price of a season pass, like we just did for the young adult pass that we just launched. It's not impossible but harder to do if you're primarily relying on a partnership model. It's harder to change the benefits that you get from a pass to the extent that you're requiring your partners to chip in to do that. You also have a little bit of diffusion, right, where you have the central pass partner marketing their pass, but then you also have each individual resort marketing their own pass.

But maybe most importantly, you don't actually control the lift ticket pricing of each individual resort or the marketing of those lift tickets, which means that you're not collecting the data, you don't know who's skiing at the resort. It's hard to know how or where or who to market to. So from a marketing efficiency perspective, I think there's real challenge in having a model like that.

And then more importantly, I think we are at a point in time, and I think we need to admit this and the industry needs to admit this, where passes are reaching kind of a maturity point. We had a lot of years with explosive growth. We had 50% growth over a five-year period, but we've reached kind of a maturity. And I think when you look at a lot of our bigger competitors, they've reached kind of a maturity point in that. And you look at the industry overall for the US and pass visits actually have gone down for a couple of years for the first time in 15 years where lift ticket visits started to come up.

And so as a business, yeah, actually going forward, it's not really about passes alone, it's about how you market lift tickets and passes. And actually one of the big growth areas for us is lift tickets and we need to get better at it. It's one thing I've highlighted. So becoming a pass partner model actually goes against that.

And then most importantly, if over the next five to ten years, the value in the ski industry is going to be created by elevating the guest experience, then just being a pass partner model where you don't actually own and operate your resorts actually will mean you won't be participating in that entire opportunity for those independent resorts.

Sara: Well, I guess obviously both of these components in the industry, they've been around for quite a while. So why are we taking the time right now to unpack these and really talk to people about what this means, and in particular the position that we've taken around owned-and-operated?

Rob: Yeah. Well, as I said in the intro, I think we've got some folks out there right now calling the premise that I've just outlined over the last few minutes into question. And I think there's been a really strong suggestion that actually our company would be better off if we sold off our resorts and just ran a kind of franchise model where we were just providing season passes.

And I guess maybe I'll say like, why is that coming up now? I do think that the industry over the last couple of years has been going through a change. A lot of the chatter in the industry has been... Over the last 15 years has been about consolidation and buying new resorts, and it's been about the growth of season pass and it's been about Epic versus Ikon and things like that. And I think as the industry is kind of now headed towards a new spot, I'm not sure everybody is picking up on this. And by the way, I'd say I was right there, right? I would be the first to admit that I don't think I quite was in front of this transition enough. And it's why I think in 2025 we didn't perform as well as a company as we could have because I think I was actually kind of behind the curve there a little bit.

But I think the good news is that we kind of made this pivot and we realize now that, wait a minute, we got to be in a different place. The market is shifting. And I do think some people are stuck in this kind of old way of thinking because of what might have looked like it was successful for the three to four years before. So I think that's a piece.

I think there's another piece, which is just we have in a lot of our communities, some very wealthy folks and very passionate folks and a lot of them have an interest in buying a ski resort, no different than you see wealthy folks who want to buy a sports team. It's like there's a passion to it and a pride to it, and I get it. I think actually that some of that emotion and energy is good, because we like to see it, but it doesn't mean it's necessarily the right thing for us to do.

And last, I think you're always going to get some shareholders who kind of say to themselves, "Hey, wait a minute, if you sold off each of these resorts, maybe you could get more for them than the way you're valued today as a company." This kind of, "Hey, let's break everything up." And it's an old Wall Street thing. It's been around for a really long time. And I'd be the first one to say, "I'm not sure it's always wrong. Sometimes it might be right." I understand it, but I also think folks who are thinking that way are kind of missing what's important about our model and why it's critical for the ski industry where we are.

Sara: So then why is this so important for the ski industry right now that we're talking about this?

Rob: First of all, the ski industry's got some challenges. It is not an easy business. No one should pretend that it is. We have huge weather variability. I mean, just look at this last year. I think we have to engage Gen Z in this experience. We need to make sure that happens. We also need to make sure that we're diversifying the sport and bringing in communities of color if we want to see real growth overall.

These are real challenges that we face and I think it is from the resorts banding together that they get the power to both withstand some of the ups and downs that we're dealing with and really innovate and put money behind the future. And the truth is, if you look back over the last 15 years where I think we have seen some really strong times, really good times for a lot of the ski industry, it has come from banding together.

Obviously in our minds from creating an owned-and-operated network, but even the pass partnerships, right, there is that... That you see that by banding together in some ways actually there's more strength, more stability, more innovation. To me, I don't think it's the time to go backwards on that.

Sara: Well, what would you say to some of the main stakeholders, one of those being communities or representatives of communities around some of these challenges or some of the complexities that we do face in the industry today?

Rob: From the very beginning when we started this, we had a vision that bringing resorts together was important to deal with the ups and downs of weather and was important to really create motion and progress and investment in the industry.

And I also understand that every resort is different, and that every community is different and has a different personality. And a lot of the communities do feel like, well, wait a minute, if the resorts are part of some larger company, does that mean that we're not really getting the focus that we need, or they're not thinking about each of our communities? And that is a fair question and a fair critique sometimes. And I do think in my mind, I think that we've created a lot more benefit, more stability, more investment for these communities in the approach that we've taken.

I also think it's not just stability from the ups and downs of weather, but I think it's also true that, yes, I think you can have individual resort owners that could be wealthy individuals and yeah, sometimes they can be incredible owners of resorts. Sometimes they can actually present unique challenges to a lot of these resort communities. It's not always just a positive to have a wealthy individual own a resort. I think with our company, I think people have a sense that, yes, of course we're about making money as we need to be as a public company, but we're about the long term. We're not about any one person's particular view or emotion or approach. It's about, "Hey, how do we create something that has true longevity?"

And I think that it also allows these resorts to get access to a huge array of talent, that if you're just a standalone resort, you're not going to get. I don't think that communities are better off necessarily by being owned by one person, but I think it's incumbent upon our company to constantly be improving our relationship, and our engagement with our communities to make that happen. I think you've seen areas where we have absolutely slipped back. Park City is a great example where I think absolutely had some challenges there.

And I think you're also seeing, yeah, that we've pivoted, we've realized where we made some missteps and we had to change. And I think getting the two new lifts in Park City approved by the planning commission unanimously recently is like a small first step I think towards a new partnership as we go forward, that's going to require us engaging day in and day out to make that happen.

Sara: Rob, you just mentioned Park City and it has actually been something that has come up quite, I would say recently and frequently, and I've heard you kind of dismiss this concept of Park City being for sale and I think a lot of people are curious around the why.

Rob: Yeah. So one is for all the reasons that I've been sharing, we just don't see how it makes any sense for us whatsoever to sell our resorts, let alone one of our most iconic and the biggest resort in the United States.

And so because obviously while maybe we could still sell some passes there, yeah, every other benefit that I've outlined would go away and to a certain extent, if it made sense to sell something like Park City, then of course you might as well just sell all your resorts because if you're selling Park City, then yeah, really the whole point of it really goes away.

I think separately, Park City actually is a resort that we can't sell. As many people know, we operate Park City, but we actually are a tenant on the land in Park City. It's a lease. Now it's a lease that goes on for 300 years, so we're not really in any risk of the lease going away, but yeah, we have no right to sell Park City. So it's always been kind of a silly conversation on every front. It doesn't make sense strategically and it's just not feasible for a company like ours to just start selling off resorts one by one just given all the challenges you would encounter around finding individual buyers, regulatory approvals, all the tax issues that go along with it, and then trying to undo all the common systems and platforms and the cost structure that we've already put in place.

And so going down a path like that, it really puts the company in serious limbo. And again, I get why it's the kind of idea that might make for a good soundbite, but it's not one that remotely works in the real world. I understand people's enthusiasms and I understand the media chatter about it, but I think for us internally it's a distraction and we can't let it take our eye off the ball of actually delivering a great guest experience for people.

Sara: Yeah. And Park City is really just one example of a case where there are other circumstances where there may be external shareholders or stakeholders, whether or not it's in the community or potential investors, that do give feedback around the business model that you've just kind of walked everyone through. I'm curious around what guides you and how you think about... Or how you do respond to some of that feedback?

Rob: First of all, we've got a lot of stakeholders in our company and a lot of very passionate stakeholders. We've got guests and shareholders and team members and community members and local regulators and national regulators and the rest. And so I think we run and operate in a complex system.

And because people care so much about these mountains and about the experience, we do get a lot of feedback, some of it very intense, and we take it in, we listen. But in the end, we have to figure out what we think is best to do with both our team members and our management team and our board. We can't just listen to any one voice and run with that.

And so one of those stakeholders, our shareholders, a little unique in that they own the company collectively. And so ultimately it is very important for us to listen to their views, but it is their collective views. And I meet with shareholders very often and a lot

of them have different views, different ideas, different thoughts about how we should be running the company or what would make it more successful. And I think all of those are actually very genuinely helpful, right, to take in and to listen to because they get a chance to see not just our company, but they're looking at tons of companies around travel and leisure and around the entire corporate ecosphere. But it is just one piece of feedback. And so ultimately we need to be aware of it, we need to take it in, but we need to make our decision.

And so yeah, to the extent that there are shareholders who might say to me, "Well, hey Rob, might it not make sense to sell off Park City or sell this or that?" And then yeah, I spend the time just like I'm doing here walking through why it is that we don't think that's the right approach. As you go forward, shareholders come and go and their ideas and their views change too. So you never know what's going to happen in the future.

But so far to date, no one's proposing to us that the company should be broken up or we should sell off our resorts, but still conversations that we're always having with people about their ideas.

Sara: What would you say to employees who may be seeing some of these stories about bringing in bankers to provide support or assistance?

Rob: Yeah, I think every public company, right, of course is going to avail itself of outside advisors. And as a public company, I think it is really important, right, for our employees to understand that it's always possible that somebody could come forward and say they want to buy the company. And despite what I may think, our board will ultimately decide what's best in those situations. That's our collective fiduciary duty as a public company.

But that said, yeah, nobody's done that and the company's not hired anybody, bankers or otherwise, to try and defend ourselves from that, not something we're spending any time on. Because where we're focused is on running the business. We are focused on operational excellence. We're focused on having the best people here and what's critical is not getting distracted on all of that.

And I would say that when we talked about potentially doing this podcast, I debated whether it was a good idea because my concern on it was that if I did the podcast, it would, I don't know, have maybe a lot of our team members feel like, "Oh, well, it must be a big deal if Rob's doing a podcast." But I don't know, my two cents is I think it's better to share with people more background on this.

And I think that's what we said we would do with the podcast. We said we would handle and talk about the tough stuff and the stuff that people are thinking maybe in the company or reading about at the company, but maybe afraid to ask or don't know what it really all means. And so in my mind, I think this really aligns with what we said about this podcast and not shying away from tough topics, but important for people to understand that, no, this is not where I'm spending my time.

As always, very much appreciate everyone taking the time to listen to the podcast today. It's, I think, an important topic because it really goes to stakeholder management and it goes to the fact that as we try and align all of our stakeholders, and I think this is true for me and it's true for everyone at the company, not all of your stakeholders are always going to agree.

Our job is to try and take all that in and chart the best course that we see for the long-term future of our company. And that's what we're trying to do every day. And so to me, this is a podcast to really bring everybody up to speed, provide a little bit of background, share a little bit what's going on, but also an important moment that all of us get back to and keep our focus on what is going to drive value going forward, and that's the guest experience and the employee experience.

With that, thanks so much and look forward to seeing everyone up on the hill.