



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, JUNE 11, 1996

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**JUSTICE DEPARTMENT REQUIRES AMERICAN SKIING CO. TO DIVEST
TWO NEW ENGLAND SKI RESORTS**

WASHINGTON, D.C. -- The Department of Justice today said that American Skiing Co., a major owner and operator of ski resorts in New England, may go ahead with its \$137 million acquisition of S-K-I Ltd. as long as American Skiing sells its New Hampshire ski resorts at Waterville Valley and Mount Cranmore to preserve competition.

The Department said that without the divestiture, American Skiing would have controlled eight of the largest ski resorts serving skiers residing in eastern portions of New England. As originally proposed, the deal would raise prices and eliminate discounts to Maine residents for day skiing trips, and to residents of Maine, eastern Massachusetts, eastern Connecticut and Rhode Island for week-end excursions, the Department said.

In total, about \$400 million was spent last year on skiing in New England.

The Department's Antitrust Division filed a civil suit in U.S. District Court in Washington to block American Skiing's original proposal to buy S-K-I. At the same time, a proposed settlement was filed that, if approved by the court, would settle the suit.

Anne K. Bingaman, Assistant Attorney General in charge of the Department's Antitrust Division, said, "Competition has been good for New England skiers. We can't allow a merger to lessen competition in the New England ski industry, which is so important to the people of this region. Without these divestitures, this deal would have resulted in fewer discounts to skiers living in Massachusetts, Connecticut, Maine and Rhode Island."

With Waterville Valley and Mount Cranmore in independent hands, competition for these skiers will be preserved, without impeding American Skiing's efforts to make New England slopes more attractive to skiers around the world, Bingaman added.

American Skiing Co., formerly LBO Resort Enterprises Corp., is headquartered in Newry, Maine, and owns the following ski resorts: Sunday River in Maine; Sugarbush in Vermont, Attitash/Bear Mountain in New Hampshire; and Mount Cranmore, which it has agreed to sell. In 1995, American Skiing's revenues at these resorts totaled about \$58 million.

S-K-I, headquartered in West Lebanon, New Hampshire, owns the following ski resorts: Killington and Mount Snow/Haystack in Vermont; a majority stake in Sugarloaf in Maine; and Waterville Valley in New Hampshire. In this transaction, all of these resorts are being sold to American Skiing subject to its commitment to divest the Waterville Valley and Mount Cranmore resorts. In 1995, S-K-I's revenues at these resorts totaled about \$110 million.

As required by the Tunney Act, the proposed settlement agreement will be published in the Federal Register, along with

the Department's competitive impact statement. Any person may submit comments concerning the proposed settlement agreement during the 60-day comment period to Craig W. Conrath, Chief, Merger Task Force, Antitrust Division, U.S. Department of Justice, 1401 H Street, N.W., Washington, D.C. 20530.

At the conclusion of the 60-day comment period, the court may enter the consent decree upon finding that it serves the public interest.

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