

'SAVE THE CISTE' CAMPAIGN STATEMENT: 25 AUGUST 2017

Yesterday on Cairn Gorm, Cairngorm Mountain Ltd (CML) / Natural Retreats (NR), instructed by Highlands and Islands Enterprise (HIE), completed clear-felling the entire line of towers on the West Wall Chairlift, and have now commenced cutting down the Lower Ciste Chairlift. As we watched, heavy plant smashed apart the West Wall Chairlift drive station.

The demolition is not limited to the chairlifts. Teams are presently removing snow fencing from the Aonach Bowl, and they will soon also take down snow fencing forming the ski runs on the East Wall, Aonach Ridge, and Coire Laogh Mor. This fencing is critical for ensuring ski access to this terrain, and for ensuring return routes remain to the Ciste carpark. Until now, the continuation of these fenced runs enabled self-sufficient skiers to enjoy a bit more of Coire na Ciste, despite the uplift closures. The number of days in which these runs are skiable will now be comprehensively reduced.

HIE utilised £267,000 of public funds for this demolition, carried out without public consultation, against the strong wishes of the community, and despite being aware of community interest in taking control of Coire na Ciste and the chairlifts.

The method of demolition has ensured that no part of the chairlift system would be useful again; the contractor is simply cutting the towers from their bases, rather than undoing the bolts. The towers themselves have been additionally cut in half.

If the contractors get as far as demolishing the lift tower bases then it will be difficult and expensive to gain planning permission to re-erect chairlifts in Coire na Ciste in the future. The same is true for the prospect of reinstating the ski runs. This will make it challenging for a community body to bring about the change of strategic direction that is required to upscale the mountain business and make it a destination of choice for ski enthusiasts as it was when Cairn Gorm was Scotland's premier snow-sports area (an accolade since lost).

The 'Save the Ciste' Group have dedicated countless hours (and accrued considerable personal expense) to our Coire na Ciste redevelopment project, with these proposals commenced at NR's request. We have brought in industry figures from a variety of areas of expertise that have in turn spent time and money conducting independent analyses, site visits, and cost estimates.

Despite knowing that we were continuing to work on our proposals, we received no advance notice of the demolition plans from NR. The courtesy is not without precedent; one meeting was even cancelled at the eleventh hour while we waited at the agreed location, having travelled distance and taken annual leave to attend.

At a meeting with HIE/NR in spring 2017 - at a time when it has since transpired that the demolition plans were underway – nothing was revealed. This is despite telling them of our intended investigation into a community takeover of Coire na Ciste's infrastructure, and despite their assurance of a (yet to occur) uplift review including the chairlifts. We only learned of the demolition through HIE's 02 August press release.

While deconstruction continues apace of what was the most exciting part of the ski area, plans are afoot by HIE to loan £4 million for diversification. The intention is for a dry slope in Coire Cas, and an extension to the Ptarmigan building, thus presumably - they think - securing a robust summer trade. Elements of these plans are apparently formed without

adequate research.

The proposed £1.5 million artificial dry slope will consist of two short slopes: one 30m in length, and the other 90m. Two other Scottish areas once had artificial slopes but removed them due to insufficient usage. At Glencoe where there is also a new artificial slope, little demand has arisen for ski lessons during the summer, and summer usage has been low.

Questions have arisen too over NR's chosen dry slope product. It requires an expensive underground misting system, vulnerable on a winter Scottish mountain. It comes in only two block colour patterns so cannot be matched to the landscape (significant given the prominent location, with concerns raised by the National Park), and there remains dubiety regarding whether a Piste Basher could be driven over it in winter without damaging underlying pipework.

Not once has NR approached their chosen manufacturer's main market rival (that chosen by Glencoe, incidentally), to find out about alternative products let alone receive comparative quotes. This is lamentable; the rival product addresses the above issues, is cheaper, and we believe would be a product better suited for use on Cairn Gorm [their representative conducted a site visit with us in Coire na Ciste].

We believe NR's dry slope proposal to be inherently flawed; we do not believe it will work the way they think during the winter, and we do not believe it will do much to attract people to Cairn Gorm during the summer. The willingness to dedicate £1.5 million to a project which has not been thoroughly researched, and £2.5 million to extending the Ptarmigan, demonstrates the extent to which HIE/NR lack understanding of their own market.

Across social media, in comment pages of newspapers, by petition to the operator, and in pubs and cafes up and down Strathspey (and scattered across the country), people have been calling out for meaningful reinvestment in skiing, and specifically in Coire na Ciste and the chairlifts. Contrast this to the number of people clamouring for a new dry slope – particularly when the money earmarked for that alone would have amply covered a complete reinstatement of both Ciste Chairlifts and far more besides.

Indisputable rationale for maintaining the two Ciste Chairlifts as part of the lift network are covered in depth on our website, and in the media. This is not an issue of climate change, of removing lifts that couldn't have served dual summer purpose, or even of streamlining the ski area; if it were, the West Wall Poma would have been taken down instead.

The West Wall Poma alone now provides inadequate 'service' to Coire na Ciste – the area of the mountain which for many is the sole reason to ski at Cairn Gorm. This surface lift is unfit for purpose compared to the chairlifts: in 2010 the Poma operated for 57 days despite the Ciste Gully being skiable for 180 days to the chairlift boardwalk. This means that skiers were able to use Coire na Ciste on just 32% of potential days possible had the chairlifts been operational. In 2011 the Poma ran for 44 days, while the Ciste Gully was complete for 140 days (uplift open 31% of the time). In 2013 the Poma operated for 52 days while the Ciste Gully was skiable for 152 days (uplift open 34% of the time). In 2014 the Poma operated for 14 days, while the Ciste Gully was skiable for 131 days (uplift open 11% of the time). The theme is clear – and it continues. Whatever the final justification for removal, it is beyond doubt that significant revenues are lost by failing to provide chairlift access in Coire na Ciste.

Following the West Wall Chairlift's demolition, the skiing community is in uproar. Many state that they and their families will not ski on Cairn Gorm again. Others say that they haven't skied there for several years due to the Ciste's marginalisation. A portion calls for a boycott. Some regret buying Cairn Gorm season tickets. In Aviemore, some locals will

buy season tickets for a different Scottish resort (1-2 hours drive away) rather than for Cairn Gorm (which they could access in <15 minutes). We advocate none of this, but people are making their own minds up.

The drift away from Cairn Gorm to other ski centres can be indisputably quantified. The trend across the past few seasons of Cairn Gorm's ski day market share amongst the five Scottish ski resorts is in unprecedented decline. HIE accepted this as true following a meeting last year. The business world is littered with corpses of businesses which have proceeded against the wishes of their customers, and NR/HIE would do well to listen to theirs.

Be all this as it may, what we are seeing come to fruition in the HIE-backed work this week is a managed decline of the ski area. Is it coincidental that without the Ciste Chairs, greater numbers of visitors are caused to use the HIE-backed Funicular for non-surface lift access to the mountain? This, on paper, results in the Funicular appearing more successful than it otherwise would - though it has still never reached expectation.

The Funicular was forecast to carry >200,000 non-skiing passengers annually. It carried 180,000 in the first year of operation, but the reality is that it now carries approximately just 125,000. This reduction comes at a time when Aviemore and Strathspey are much busier in the summer than was the case when the Funicular was commissioned in 2001, and so it is an alarming trend. This is despite money spent on various peripheral projects to try and entice visitors to the mountain, such as the Camera Obscura, the educational grouse butt, and now the present proposals.

Despite clear evidence on the balance sheets, HIE/NR are yet to admit that the business can only be fully successful when the skiing aspect is strong. The ski business is also of massive importance to the Strathspey economy (at a time of the year when there is very little other trade of note) and a reduced ski offering is of huge concern. The £4 million proposals, following ten years of systematically reducing the ski area, do little to change this. Contrary to skiers, summer visitors spend less money and do not bring repeat trade.

The strategy of marginalising the ski business while trying to bolster funicular numbers has been a demonstrable failure. Clearly it is time for a completely different direction.

Let it be known: the official cost to reinstate just one of the chairlifts was put at <£300,000 by CML in 2010, following a manufacturer's site visit. HIE have this month spent more or less the same money to cut these chairlifts down, and are proposing to loan more than thirteen times that amount on the new dry slope and Ptarmigan extension. Of the £4 million loan on the table today, pretty much the entirety of our alternate vision for Coire na Ciste could have been realised.

Despite the operator holding a maintenance lease from HIE to upkeep assets on the mountain, the Ciste chairlifts were allowed to fall into disrepair. Why then was HIE also then required to put in £1.1 million of public funds in 2014 to carry out maintenance upgrades to the primary uplift infrastructure too? This also begs the question as to just what exactly HIE were doing when they had full control of the business between 2008 and 2014. In addition, a further £0.6 million was provided in 2014 for 'maintenance to buildings'. This is on top of the public money used to underwrite CML's debt a decade ago and prevent them from going bust.

The past ten years have, despite a series of 100,000+ skier day winters, seen the removal of the White Lady T-Bar, the Fiacail T-Bar, the relocation of the Link Poma, the removal of the Aonach Poma, the replacement of the Shieling Tow with a rope tow, and now the removal of the Ciste Base Station, Ciste Chairlifts, and numerous pistes. The Daylodge Poma would also have been removed a decade ago were it not for an outcry preventing it.

In real terms, this equates to a 33% reduction in mid-mountain uplift capacity, and the marginalisation of almost half of the mountain's ski terrain.

Cairn Gorm's 'core lift' policy which led to this uplift reduction is a very different approach to that chosen by other Scottish ski resorts. Those centres operate opportunistically, and maintain low overheads. When the snow is there, they still have the lift capacity and terrain required to have the maximum possible number of customers on their respective hills in any one day. This ensures customer satisfaction, and reduces the companies' reliance on long ski seasons: just a few 'big weekends' pay dividends.

Glenshee operate this model, despite having a shorter ski season than at Cairn Gorm; they have a healthy bank balance, have built two chairlifts in the past five years, and have a third chairlift currently going through planning. Glencoe are similar - they have successfully diversified into a dozen or so micro lodges (which also form part of our Ciste proposals) with strong year-round occupancy rates, have built a surface lift a year ago, and will construct a new chairlift next year.

In contrast, through a steadfast programme of uplift removal, Cairn Gorm have shrunk their ski area and reduced their ability to make hay while the sun shines (or: their ability to make money when the snow falls). By reducing capacity so measurably they have decreased customer satisfaction, and seriously capped the amount of money that they are able to make in any one day. The 'big weekends' have become smaller, and they require being open for a greater number of days than previously in order to break even let alone turn a profit – and this is remembering that Scottish skiing is an opportunistic and fickle activity.

Regarding any possible profits, NR declare that any money made on Cairn Gorm will be invested on the mountain, rather than in their other businesses (predominantly holiday cottages south of the border, and at John O'Groats [which received a grant of £1.8 million of public money from HIE towards construction costs]). This is true. Notably, however, 'administration expenses' have risen considerably since June 2014 when NR took over the business. For example, administration expenses as a % of sales in the years ending 31 March were; 2012: 24.20%; 2013: 19.41%; 2014: 18.49%; 2015: 24.14%. In the nine month period 01 April to 31 December following NR taking over the business, 2015 administration expenses accounted for 44.85% of sales.

At www.savetheciste.com we have a petition of (presently) 3,153 persons who declare support for redeveloping Coire na Ciste. HIE/NR must pay heed. This is not an insignificant number; if every one of the petition signers bought just three or four day passes a season (not unrealistic, and this does not include money from lessons, hire, catering, or spending at businesses across Strathspey) it would pay to reinstate one chairlift just from the take of those people's ski passes in one season alone.

As it is, 3,153 is likely to barely scratch the surface of the true extent of the repeat business no longer going Cairn Gorm's way annually as a result of marginalising the ski area. This means fewer season tickets and fewer repeat customers. It means fewer day passes, less catering, less hire, and fewer lessons. Fewer instructors. Fewer equipment hire retailers, and fewer shops. It means increased competition and it means the closure of smaller businesses. It means lower occupancy rates at hostels, B&B's, and hotels. It means smaller take-ins at bars, cafes, and restaurants. It means a smaller take-up of non-ski activities at alternative providers when the mountain is stormbound. This is about far more than the wellbeing of NR, HIE, and the mountain business, it is about the entirety of Strathspey.

We have extensive plans for the Ciste, a plan involving both chairlifts. A plan where a

sensitive 100kW hydro scheme would bring in >£100,000 of guaranteed income each year (paid off after five), with surplus energy and water used to power (for ‘free’) an array of snow guns and snow factory to ensure snow reliability for over 100 days per season (we have done the modelling) in the lower Coire na Ciste area. There we would have nursery slopes, beginner tows, and a dedicated Kids Zone. Early and late season, we would boost trade with a sensibly sited dry slope hidden within the confines of the coire, built of Neveplast (colour-matched to the landscape, without a misting system, and which can have a Piste Basher driven over it). The hydro scheme pump house would double as an education facility, ski school meeting point, and provide shelter, food/drink and toilets in the heart of Coire na Ciste - perfect for families. It would be sensibly designed to fit in with the hill. Adjacent to all this, a new mid-line loading ramp on the lower chairlift would permit access from the carpark to the learning area, and back again. Additionally it would enable skiing the full length of the Aonach runs and East Wall, even despite the loss of the Aonach Poma. It would also provide lift served access to a two or three lane snow park we would site at the sheltered lower Aonach site – made reliable by snowmaking. Summer tourists would be able to sightsee from the chairlifts, and climbers and walkers would be able to access mountain trails from the top. At the base, a new base lodge would provide ticket sales, shop, ski and bike hire, cafe/bar/restaurant (open from early and closing late), small staff accommodation, and shower/locker facilities. Adjacent, the small lochain next to the building would be landscaped and developed with micro lodge accommodation. Along the carpark perimeter we would install campervan hookups and facilities. A new piste line identified by us as a spur off the lower Aonach Ridge ski run would provide ski-in access to this accommodation that may be able to be later boosted by snowmaking. Later, a zip line would be developed using the lower chair for access. For mountain bikers we would initially look to offer trails from the carpark to Glenmore with a pick-up service, followed by a range of mountain biking trails being developed on the upper mountain using the chairlifts for access. In addition, a family friendly nature and glaciological interpretative walk would be sensitively developed from the carpark along the glacial moraine bank across to Lochan na Beinne.

We believe that our all-encompassing and integrated set of proposals for Coire na Ciste are the only game in town to truly transform Cairn Gorm into a world-class destination.

We ask all of you to call for the immediate exertion of the strongest political pressure to halt the self-defeating actions that are today being carried out on Cairn Gorm. We encourage anybody with any interest or stake whatsoever in the well-being of the mountain business or of the local economy to take action.

We believe the only way to now guarantee a strong future is for us all to work together collectively, and to go it alone separate from both HIE and NR.

A community takeover of the entire hill business is what we will now work to achieve.

ENDS.