

VAIL RESORTS INC  
Form DEF 14A  
October 20, 2010

Use these links to rapidly review the document

[Table of Contents](#)

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**VAIL RESORTS, INC.**

---

(Name of Registrant as Specified In Its Charter)

---

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Edgar Filing: VAIL RESORTS INC - Form DEF 14A

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

---

Table of Contents

**VAIL RESORTS, INC.**

**390 Interlocken Crescent  
Broomfield, Colorado 80021**

---

**NOTICE OF THE 2010 ANNUAL MEETING OF STOCKHOLDERS  
To be held on December 3, 2010**

October 20, 2010

To our Stockholders:

The annual meeting of stockholders of Vail Resorts, Inc., a Delaware corporation, will be held on Friday, December 3, 2010 at 9:00 a.m. Mountain Standard Time at the St. Julien Hotel, 900 Walnut Street, Boulder, CO 80302, to:

- (1) Elect the eight directors named in the attached proxy statement to serve for the ensuing year and until their successors are elected;
- (2) Ratify the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2011; and
- (3) Transact such other business as may properly come before the meeting or any adjournments or postponements of the meeting.

These items of business are more fully described in the proxy statement accompanying this Notice.

Only holders of record of shares of our common stock at the close of business on October 7, 2010 are entitled to receive notice of, and to vote at, the annual meeting or at any postponement or adjournment thereof. A list of stockholders entitled to vote at the annual meeting will be available for examination by any stockholder at the annual meeting and for ten days prior to the annual meeting at our principal executive offices located at 390 Interlocken Crescent, Broomfield, Colorado 80021.

Pursuant to the rules of the Securities and Exchange Commission, or the SEC, we have elected to provide access to our proxy materials over the Internet. Accordingly, we will mail, on or about October 20, 2010, a Notice of Internet Availability of Proxy Materials to our stockholders of record and beneficial owners as of the close of business on October 7, 2010. On the date of mailing of the Notice of Internet Availability of Proxy Materials, all stockholders and beneficial owners will have the ability to access all of the proxy materials on a website referred to and at the URL address included in the Notice of Internet Availability of Proxy Materials.

The Notice of Internet Availability of Proxy Materials will also identify the date, the time and location of the annual meeting; the matters to be acted upon at the meeting and the Board of Directors' recommendation with regard to each matter; a toll-free telephone number, an e-mail address, and a website where stockholders can request a paper or e-mail copy of the proxy statement, our annual report and a form of proxy relating to the annual meeting; information on how to access and vote the form of proxy; and information on how to obtain directions to attend the meeting and vote in person. These proxy materials will be available free of charge.

Stockholders are cordially invited to attend the annual meeting. If you wish to vote shares held in your name at the annual meeting, please bring your Notice of Internet Availability of Proxy Materials or proxy card (if you previously requested one be mailed to you) and picture identification. If you hold shares through an intermediary, such as a broker, bank or other nominee, you must present proof of ownership at the meeting. Proof of ownership could include a proxy from your broker, bank or other nominee or a copy of your account statement. Shares held through a broker, bank or other nominee may be voted by you in person at the annual meeting only if you obtain a valid proxy from the broker, bank or other nominee giving you the right to vote the shares and bring such proxy to the annual



Table of Contents

meeting. Attendance at our annual meeting will be limited to persons presenting a Notice of Internet Availability of Proxy Materials or proxy card (if you requested one) and picture identification.

Your vote is extremely important. We appreciate your taking the time to vote promptly. After reading the proxy statement, please vote, at your earliest convenience by telephone or Internet, or request a proxy card to complete, sign and return by mail. If you decide to attend the annual meeting and would prefer to vote by ballot, your proxy will be revoked automatically and only your vote at the annual meeting will be counted. **YOUR SHARES CANNOT BE VOTED UNLESS YOU VOTE BY: (i) TELEPHONE, (ii) INTERNET, (iii) REQUESTING A PAPER PROXY CARD, TO COMPLETE, SIGN AND RETURN BY MAIL, OR (iv) ATTENDING THE ANNUAL MEETING AND VOTING IN PERSON.** Please note that all votes cast via telephone or the Internet must be cast prior to 11:59 p.m., Eastern Standard Time on Thursday, December 2, 2010.

By Order of the Board of Directors,

Fiona E. Arnold  
*Senior Vice President,  
General Counsel and Secretary*

---

Table of Contents**Table of Contents**

	<b>Page</b>
<u>PROPOSAL 1. ELECTION OF DIRECTORS</u>	<u>5</u>
<u>INFORMATION WITH RESPECT TO NOMINEES</u>	<u>5</u>
<u>Nominees for Directors</u>	<u>6</u>
<u>Vote Required for Approval</u>	<u>8</u>
<u>MANAGEMENT</u>	<u>8</u>
<u>SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS</u>	<u>10</u>
<u>INFORMATION AS TO CERTAIN STOCKHOLDERS</u>	<u>11</u>
<u>CORPORATE GOVERNANCE</u>	<u>12</u>
<u>Corporate Governance Guidelines</u>	<u>12</u>
<u>Board Leadership and Lead Independent Director</u>	<u>12</u>
<u>Meetings of the Board</u>	<u>13</u>
<u>Executive Sessions</u>	<u>13</u>
<u>Director Nominations</u>	<u>13</u>
<u>Determinations Regarding Independence</u>	<u>14</u>
<u>Communications with the Board of Directors</u>	<u>14</u>
<u>Code of Ethics and Business Conduct</u>	<u>14</u>
<u>Risk Management</u>	<u>14</u>
<u>Compensation Risk Assessment</u>	<u>15</u>
<u>Committees of the Board</u>	<u>15</u>
<u>The Executive Committee</u>	<u>15</u>
<u>The Audit Committee</u>	<u>15</u>
<u>AUDIT COMMITTEE REPORT*</u>	<u>16</u>
<u>The Compensation Committee</u>	<u>17</u>
<u>Compensation Committee Processes and Procedures</u>	<u>18</u>
<u>Compensation Committee Interlocks and Insider Participation</u>	<u>19</u>
<u>COMPENSATION COMMITTEE REPORT*</u>	<u>19</u>
<u>The Nominating &amp; Governance Committee</u>	<u>19</u>
<u>Compensation of Directors</u>	<u>20</u>
<u>Director Compensation for Fiscal 2010</u>	<u>20</u>
<u>Director Cash Compensation</u>	<u>22</u>
<u>Director Equity Compensation</u>	<u>22</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>22</u>
<u>TRANSACTIONS WITH RELATED PERSONS</u>	<u>22</u>
<u>Related Party Transactions Policy and Procedures</u>	<u>22</u>
<u>Certain Related-Person Transactions</u>	<u>23</u>
<u>EXECUTIVE COMPENSATION</u>	<u>24</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>24</u>
<u>Philosophy and Objectives of Our Executive Compensation Program</u>	<u>24</u>
<u>Elements of Compensation</u>	<u>26</u>
<u>Equity Grant Practices</u>	<u>31</u>
<u>Deferred Compensation Plan</u>	<u>31</u>
<u>Executive Stock Ownership Guidelines</u>	<u>31</u>
<u>Perquisites</u>	<u>31</u>
<u>Post-Termination Compensation</u>	<u>32</u>
<u>Tax Deductibility of Executive Compensation</u>	<u>32</u>

Table of Contents

	<b>Page</b>
<u>SUMMARY COMPENSATION TABLE</u>	<u>33</u>
<u>Summary Compensation Table for Fiscal 2010</u>	<u>33</u>
<u>GRANTS OF PLAN-BASED AWARDS</u>	<u>35</u>
<u>Employment Agreements</u>	<u>36</u>
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END</u>	<u>40</u>
<u>Outstanding Equity Awards at July 31, 2010</u>	<u>40</u>
<u>OPTION EXERCISES AND STOCK VESTED</u>	<u>43</u>
<u>Option Exercises and Stock Vested in Fiscal 2010</u>	<u>43</u>
<u>PENSION BENEFITS</u>	<u>43</u>
<u>NONQUALIFIED DEFERRED COMPENSATION</u>	<u>44</u>
<u>Nonqualified Deferred Compensation for Fiscal 2010</u>	<u>44</u>
<u>POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE-IN-CONTROL</u>	<u>45</u>
<u>SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS</u>	<u>50</u>
<u>PROPOSAL 2. RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>51</u>
<u>FUTURE STOCKHOLDER PROPOSALS FOR 2011 ANNUAL MEETING</u>	<u>53</u>
<u>HOUSEHOLDING OF PROXY MATERIALS</u>	<u>53</u>
<u>OTHER MATTERS</u>	<u>53</u>

Table of Contents

## VAIL RESORTS, INC.

390 Interlocken Crescent

Broomfield, Colorado 80021

---

### PROXY STATEMENT FOR THE 2010 ANNUAL MEETING OF STOCKHOLDERS

---

We are providing these proxy materials in connection with the solicitation of proxies by the Board of Directors of Vail Resorts, Inc. (the "Company") to be voted at our annual meeting, which will take place on Friday, December 3, 2010 at 9:00 a.m. Mountain Standard Time at the St. Julien Hotel, 900 Walnut Street, Boulder, CO 80302, and at any adjournment or postponement thereof. As a stockholder, you are invited to attend the annual meeting and are requested to vote on the items of business described in this proxy statement.

In accordance with the rules and regulations of the SEC, instead of mailing a printed copy of our proxy materials to each stockholder of record or beneficial owner, we are now furnishing proxy materials, which include our proxy statement and annual report, to our stockholders over the Internet. Because you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials, unless you have previously made a permanent election to receive these materials in hard copy. Instead, the Notice of Internet Availability of Proxy Materials will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Notice of Internet Availability of Proxy Materials also instructs you as to how you may submit your proxy on the Internet. If you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

It is anticipated that the Notice of Internet Availability of Proxy Materials will be available to stockholders on or about October 20, 2010.

#### **Who is entitled to vote at or attend the annual meeting?**

Holders of record of our common stock as of the close of business on October 7, 2010, which we refer to as the record date, are entitled to vote. On the record date we had 35,974,440 shares of common stock outstanding. Each share is entitled to one vote on each item being voted on at the annual meeting. You are entitled to attend the annual meeting only if you were a Vail Resorts, Inc. stockholder or joint holder as of the record date or you hold a valid proxy for the annual meeting.

#### ***Stockholder of Record: Shares Registered in Your Name***

If, on October 7, 2010, your shares were registered directly in your name with the Company's transfer agent, Wells Fargo Bank, N.A., then you are a stockholder of record and a Notice of Internet Availability was sent to you by the Company. As a stockholder of record, you may vote in person at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to vote by proxy in advance of the annual meeting over the telephone or on the Internet as instructed in the Notice of Internet Availability of Proxy Materials to ensure your vote is counted.

#### ***Beneficial Owner: Shares Registered in the Name of a Broker or Bank***

If, on October 7, 2010, your shares were not held in your name, but rather were held in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in "street name" and a Notice of Internet Availability of Proxy Materials was



Table of Contents

forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares held in your account. You are also invited to attend the annual meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent and bring such proxy to the annual meeting. If you want to attend the annual meeting, but not vote at the annual meeting, you must provide proof of beneficial ownership as of the record date, such as your most recent account statement prior to October 7, 2010, a copy of the voting instruction card provided by your broker or other agent, or other similar evidence of ownership. Whether or not you plan to attend the meeting, we urge you to vote by proxy in advance of the annual meeting over the telephone or on the Internet as instructed in the Notice of Internet Availability of Proxy Materials to ensure your vote is counted.

**How do I vote my shares?**

**By Telephone or the Internet** Stockholders can simplify their voting by voting their shares via telephone or the Internet as instructed in the Notice of Internet Availability of Proxy Materials. The telephone and Internet procedures are designed to authenticate a stockholder's identity, to allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

The telephone and Internet voting facilities will close at 11:59 p.m., Eastern Standard Time, on December 2, 2010.

**By Mail** Stockholders who request a paper proxy card by telephone or Internet may elect to vote by mail and should complete, sign and date their proxy cards and mail them in the pre-addressed envelopes that accompany the delivery of paper proxy cards. Proxy cards submitted by mail must be received by the time of the meeting in order for your shares to be voted. Stockholders who hold shares beneficially in street name may vote by mail by requesting a paper voting instruction card according to the instructions contained in the Notice of Internet Availability of Proxy Materials received from your broker or other agent, and then completing, signing and dating the voting instruction card provided by the brokers or other agents and mailing it in the pre-addressed envelope provided.

**At the Meeting** Shares held in your name as the stockholder of record may be voted by you in person at the annual meeting. Shares held beneficially in street name may be voted by you in person at the annual meeting only if you obtain a valid proxy from the broker or other agent that holds your shares giving you the right to vote the shares and bring such proxy to the annual meeting.

**Can I change my vote?**

You may change your vote at any time prior to the vote at the annual meeting by:

providing timely delivery of a later-dated proxy (including telephone or Internet vote);

providing written notice of revocation to our Secretary at 390 Interlocken Crescent, Broomfield, Colorado 80021; or

attending the annual meeting and voting in person.

If you are a beneficial owner of shares, you may change your vote by submitting new voting instructions to your broker or other agent following the instructions they provided, or, if you have obtained a valid proxy from your broker or other agent giving you the right to vote your shares, by attending the meeting and voting in person.

Table of Contents

**How many shares must be present or represented to conduct business at the annual meeting?**

The quorum requirement for holding the annual meeting and transacting business is that holders of a majority of the issued and outstanding common stock that is entitled to vote must be present in person or represented by proxy. Both abstentions and broker non-votes described below are counted for the purpose of determining the presence of a quorum. If there is no quorum, the holders of a majority of shares present at the meeting in person or represented by proxy may adjourn the meeting to another date.

**What are the voting requirements?**

In the election of directors named in this proxy statement, you may vote "FOR" one or more of the nominees or your vote may be "WITHHELD" with respect to one or more of the nominees. If you elect "WITHHELD," your vote will be counted as a vote cast with respect to such nominee and will have the effect of a negative vote. You may not cumulate your votes for the election of directors. Each director nominee requires a majority of the votes cast, which means that each director nominee must receive an affirmative "FOR" vote from a number of shares present in person or represented by proxy and entitled to vote that exceeds the number of votes "WITHHELD" from that director nominee.

For the other items of business, you may vote "FOR," "AGAINST" or "ABSTAIN." If you elect to "ABSTAIN," which we refer to as an abstention, your vote will not be counted for voting purposes and therefore will not be included in the calculation of voting results. However, abstentions are considered present for purposes of determining a quorum, even though they are not considered votes cast on that proposal since an abstention is not a vote cast. This treatment of abstentions is consistent with the express terms of our Amended and Restated Bylaws, which we refer to as our bylaws, regarding stockholder voting. If you provide specific instructions with regard to certain proposals, your shares will be voted as you instruct on such proposals.

The proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm requires the affirmative "FOR" vote of a majority of those shares present in person or represented by proxy, entitled to vote, and actually voted on the proposal at the annual meeting.

**What are "broker non-votes"?**

If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." Generally, broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and instructions are not given by the beneficial owner. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are considered present for purpose of determining a quorum but are not considered entitled to vote or votes cast on that proposal. Thus, a broker non-vote will make a quorum more readily attainable, but broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may either leave your shares unvoted or vote your shares on routine matters. The proposal to ratify the appointment of our independent registered public accounting firm for the current fiscal year (Proposal No. 2) is considered a routine matter. Under the rules of the New York Stock Exchange, or the NYSE, the election of directors (Proposal No. 1) is not considered a routine matter and, consequently, without your voting instructions, your brokerage firm cannot vote your shares for the election of directors.

Table of Contents

**Who will serve as inspector of elections?**

The inspector of elections will be a representative from Broadridge Financial Solutions, Inc.

**Who will bear the cost of soliciting votes for the annual meeting?**

We will bear the cost of soliciting proxies. In addition to the original solicitation of proxies, proxies may be solicited personally, by telephone or other means of communication, by our directors and employees. Directors and employees will not be paid any additional compensation for soliciting proxies.

We may reimburse brokers holding common stock in their names or in the names of their nominees for their expenses in sending proxy material to the beneficial owners of such common stock.

**What does it mean if I receive more than one Notice of Internet Availability of Proxy Materials?**

If you receive more than one Notice of Internet Availability of Proxy Materials, you hold shares registered in more than one name or shares that are registered in different accounts. To ensure that all of your shares are voted, you will need to vote separately by telephone or the Internet using the specific control number contained in each Notice of Internet Availability of Proxy Materials that you receive.

**What if I submit a proxy but do not make specific choices?**

If a proxy is voted by telephone or Internet, or is signed and returned by mail without choices specified, in the absence of contrary instructions, subject to Rule 14a-4(d)(1) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, the shares of common stock represented by such proxy will be voted "FOR" Proposals 1 and 2, and will be voted in the proxy holders' discretion as to other matters that may properly come before the annual meeting.

**Annual Meeting Materials**

The Notice of Internet Availability of Proxy Materials, Notice of Annual Meeting, this proxy statement and the annual report of the Company for the fiscal year ended July 31, 2010, or fiscal 2010, have been made available to all stockholders entitled to Notice of Internet Availability of Proxy Materials and entitled to vote at the annual meeting. The annual report is not incorporated into this proxy statement and is not considered proxy-soliciting material.

**How can I find out the results of the voting at the annual meeting?**

Preliminary voting results will be announced at the annual meeting. Final voting results will be published in a Form 8-K, which will be filed with the SEC within four business days of the date of the annual meeting.

Table of Contents

**PROPOSAL 1. ELECTION OF DIRECTORS**

Our Board of Directors, or Board, presently consists of eight members. Each director to be elected will hold office until the next annual meeting of stockholders or until his successor is duly elected and qualified, or until the earlier of the director's death, resignation or removal. Each of the nominees listed below is currently a director of the Company. Each of the nominees listed below, other than Ms. Schneider, was previously elected by the stockholders. The proxies solicited by this proxy statement may not be voted for more than eight nominees.

The persons named as proxies in the accompanying proxy, who have been designated by the Board, intend to vote, unless otherwise instructed in such proxy, "FOR" the election of Messrs. Hernandez, Hyde, Jones, Katz, Kincaid, Redmond and Sorte and Ms. Schneider as directors. If any nominee becomes unavailable for election as a result of an unexpected occurrence, your shares will be voted for the election of a substitute nominee, if any, proposed by the Board. Each person nominated for election has agreed to serve if elected. Our Board has no reason to believe that any nominee will be unable to serve.

**INFORMATION WITH RESPECT TO NOMINEES**

The following sets forth the name and age of each nominee, identifies whether the nominee is currently a member of the Board, lists all other positions and offices, if any, now held by him or her with the Company, and specifies his or her principal occupation during at least the last five years.

The Nominating & Governance Committee monitors the mix of skills, knowledge, perspective, leadership, age, experience and diversity among directors in order to assure that the board has the ability to perform its oversight function effectively.

The Nominating & Governance Committee has determined that the Board will be comprised of individuals who meet the highest possible personal and professional standards. Our director nominees should have broad experience in management, policy-making and/or finance, relevant industry knowledge, business creativity and vision. They should also be committed to enhancing stockholder value and should be able to dedicate sufficient time to effectively carry out their duties.

The Nominating & Governance Committee considers many factors when determining the eligibility of candidates for nomination as director. The Committee does not have a formal diversity policy; however, in connection with the annual nomination process, the Committee considers the diversity of candidates to ensure that the board is comprised of individuals with a broad range of experiences and backgrounds who can contribute to the board's overall effectiveness in carrying out its responsibilities. The Committee assesses the effectiveness of its efforts at achieving a diverse Board when it annually evaluates the Board's composition.

The Nominating & Governance Committee considers the following specific characteristics in making its nominations for our Board:

Personal and professional integrity;

Exceptional ability and broad business judgment;

Skills, knowledge and a diverse perspective;

Leadership;

Industry knowledge;

Business creativity and vision; and

Overall experience, age and diversity.

Table of Contents

The Nominating & Governance Committee retained an executive search firm in fiscal 2010 to assist in identifying and evaluating potential nominees for the Board, and such search firm identified Ms. Schneider as a Board candidate. Following a screening process of potential candidates and the recommendation by the Nominating & Governance Committee, the Board elected Ms. Schneider as a new director effective March 30, 2010.

**Nominees for Directors**

*Roland A. Hernandez*, 53, was appointed a director of the Company in December 2002 and was appointed Lead Director in March 2009. Mr. Hernandez is the founding principal and Chief Executive Officer of Hernandez Media Ventures, a privately held company engaged in the acquisition and management of media assets. Prior to forming that company, Mr. Hernandez was President, Chief Executive Officer and Chairman of the Board of Telemundo Group, Inc., a Spanish-language television and entertainment company, from 1998 to 2000. From 1995 to 1998, Mr. Hernandez was President and Chief Executive Officer of Telemundo Group, Inc. From 1986 to 1994, Mr. Hernandez was President of the corporate general partner of Interspan Communications. Mr. Hernandez is the presiding director of MGM Mirage and is a director of Ryland Group, Inc., Lehman Brothers Holdings, Inc. and Sony Corporation. He serves on the audit committee of Ryland Group, Inc. and as Chairman of the audit committee of MGM Mirage.

The Nominating & Governance Committee has determined that Mr. Hernandez's extensive public company board experience, including as a presiding director in the travel and leisure sector, qualifies him to serve on the Board.

*Thomas D. Hyde*, 61, was appointed a director of the Company in June 2006. From June 2005 through August 2010, Mr. Hyde was Executive Vice President and Corporate Secretary of Wal-Mart Stores, Inc. ("Wal-Mart"), an international retail store operator. From June 2003 to June 2005, Mr. Hyde served as Executive Vice President, Legal and Corporate Affairs and Corporate Secretary of Wal-Mart and from July 2001 to June 2003, he served as Executive Vice President, Senior General Counsel of Wal-Mart. Prior to July 2001, he served as Senior Vice President and General Counsel of Raytheon Company since 1992. Mr. Hyde retired from Wal-Mart effective August 1, 2010.

The Nominating & Governance Committee has determined that Mr. Hyde's extensive executive management and international retail experience qualify him to serve on the Board.

*Jeffrey W. Jones*, 48, was appointed a director of the Company in June 2008. He was appointed Senior Executive Vice President and Chief Financial Officer in February 2006. Mr. Jones joined the Company in September 2003 and was appointed Senior Vice President and Chief Financial Officer of the Company in November 2003. From 1999 to 2003, Mr. Jones served as Executive Vice President and Chief Financial Officer of Clark Retail Enterprises, Inc. ("Clark Retail") in Chicago, Illinois. On October 15, 2002, at which time he was serving as Executive Vice President and Chief Financial Officer of Clark Retail, Clark Retail filed a voluntary petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code. From June 1998 to June 1999, Mr. Jones was Chief Financial Officer and Treasurer of Lids Corporation in Boston, Massachusetts. Mr. Jones is a member of the American Institute of Certified Public Accountants and a director of the Denver Metro Chamber of Commerce.

The Nominating & Governance Committee has determined that Mr. Jones' extensive finance, accounting and management experience, together with his extensive industry and Company knowledge, qualify him to serve on the Board.

*Robert A. Katz*, 43, was appointed a director of the Company in June 1996 and was appointed Chairman of the Board in March 2009. Mr. Katz also served as Lead Director from June 2003 until his appointment as Chief Executive Officer of the Company in February 2006. Prior to his appointment as

Table of Contents

the Company's Chief Executive Officer, Mr. Katz was associated with Apollo Management L.P., a private equity investment firm, since 1990.

The Nominating & Governance Committee has determined that Mr. Katz's broad business and finance background and his extensive industry knowledge qualify him to serve on the Board. In addition, since Mr. Katz has been involved with the Company since 1996, the Nominating & Governance Committee believes that Mr. Katz brings to the Board a valuable historical perspective of Company operations.

*Richard D. Kincaid*, 48, was appointed a director of the Company in June 2006. Mr. Kincaid is the founder and President of the BeCause Foundation, a nonprofit corporation that drives social change through the fusion of documentary filmmaking and related strategic programs. Until March 2007, Mr. Kincaid was President, Chief Executive Officer and a trustee of Chicago-based Equity Office Properties Trust ("Equity Office"), formerly the largest owner and manager of office buildings in the United States. Mr. Kincaid was President of Equity Office since 2002 and was named Chief Executive Officer in April 2003. From 1997 to 2002, Mr. Kincaid was Executive Vice President of Equity Office and was Chief Operating Officer from September 2001 until November 2002. He served as Chief Financial Officer of Equity Office from March 1997 until August 2002. Mr. Kincaid also is a director of Rayonier Inc., a global supplier of timber, performance fibers and wood products, Strategic Hotels and Resorts, a real estate investment trust that owns 19 high end hotel properties in the U.S. and Europe, QuietAgent, an online career and recruiting company, and the Street Medicine Institute, a not-for-profit corporation.

The Nominating & Governance Committee has determined that Mr. Kincaid's extensive public company board experience, together with his real estate and executive management experience, qualify him to serve on the Board.

*John T. Redmond*, 52, was appointed a director of the Company in March 2008. Mr. Redmond served as President and Chief Executive Officer of MGM Grand Resorts, LLC, a collection of resort-casino, residential living and retail developments, from March 2001 until August 2007. Prior to that, he served as co-Chief Executive Officer of MGM Mirage from December 1999 to March 2001. He was President and Chief Operating Officer of Primm Valley Resorts from March 1999 to December 1999 and Senior Vice President of MGM Grand Development, Inc. from August 1996 to February 1999. Prior to 1996, Mr. Redmond was Senior Vice President and Chief Financial Officer of Caesars Palace and Sheraton Desert Inn, having served in various other senior operational and development positions with Caesars World, Inc. Mr. Redmond is also a director of Allegiant Travel Co.

The Nominating & Governance Committee has determined that Mr. Redmond's extensive public company board experience, together with his executive management experience in the travel and leisure sector, qualify him to serve on the Board.

*John F. Sorte*, 63, was appointed a director of the Company in January 1993. Mr. Sorte has been President and Chief Executive Officer of Morgan Joseph LLC, an investment banking firm, since June 2001. Mr. Sorte is also a director of Morgan Joseph Holdings Inc. From March 1994 to June 2001, he served as President of New Street Advisors L.P. and from 1992 until 1994 as Chief Executive Officer of New Street Capital Corporation. Prior to that position, Mr. Sorte joined Drexel Burnham Lambert Inc. as Managing Director in 1980 and served as Chief Executive Officer from 1990 through 1992.

The Nominating & Governance Committee has determined that Mr. Sorte's extensive executive management and finance experience qualify him to serve on the Board.

*Hilary A. Schneider*, 49, was appointed a director of the Company in March 2010. Ms. Schneider is Executive Vice President of Yahoo! Americas. She joined Yahoo in 2006 when she led the company's U.S. region, Global Partner Solutions and Local Markets and Commerce divisions. Prior to joining

Table of Contents

Yahoo, Ms. Schneider held senior leadership roles at Knight Ridder, Inc., from 2002 through 2005, where she was Chief Executive Officer of Knight Ridder Digital before moving to co-manage the company's overall newspaper and online business. Before joining Knight Ridder, Ms. Schneider served as President and Chief Executive Officer of Red Herring Communications, from 2000 through 2002, overseeing *Red Herring Magazine*, [www.RedHerring.com](http://www.RedHerring.com), and Red Herring's events unit. She also held numerous roles at Times Mirror, from 1990 through 2000, including President and Chief Executive Officer of Times Mirror Interactive and General Manager of the *Baltimore Sun*.

The Nominating & Governance Committee has determined that Ms. Schneider's extensive executive management and online marketing experience qualify her to serve on the Board.

**Vote Required for Approval**

To be elected, each director nominee requires a majority of the votes cast, which means that each director nominee must receive an affirmative "FOR" vote from a number of shares present in person or represented by proxy and entitled to vote that exceeds the number of votes "WITHHELD" from that director nominee.

Our bylaws require that each director receive a majority of the votes cast with respect to such director (the number of shares voted "FOR" a director nominee must exceed the number of votes "WITHHELD" from that nominee). All of the nominees named in the proxy currently serve as a director. If stockholders do not elect a nominee who is serving as a director, Delaware law provides that the director would continue to serve on the Board as a "holdover director," rather than causing a vacancy, until a successor is duly elected or until the director resigns. Under our Corporate Governance Guidelines and as permitted by our bylaws, each director has submitted an advance, contingent resignation that the Board may accept if stockholders do not elect the director. In that situation, our Nominating & Governance Committee would make a recommendation to the Board about whether to accept or reject the resignation, or whether to take other action.

**THE BOARD RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF THESE NOMINEES.**

**MANAGEMENT**

The following table sets forth the executive officers of the Company (or its operating subsidiaries) as of October 5, 2010.

Name	Position
Robert A. Katz	Chief Executive Officer
Jeffrey W. Jones	Senior Executive Vice President and Chief Financial Officer
Fiona E. Arnold	Senior Vice President, General Counsel and Secretary
Blaise T. Carrig	Co-President, Mountain Division
John McD. Garnsey	Co-President, Mountain Division
Mark L. Schoppet	Senior Vice President, Controller and Chief Accounting Officer
Paul Toner	Senior Vice President and Chief Operating Officer, RockResorts and Vail Resorts Hospitality

For biographical information about Mr. Katz and Mr. Jones see "Information With Respect to Nominees."

*Fiona E. Arnold*, 43, was appointed Senior Vice President and General Counsel in June 2007; in addition, she was appointed Secretary of the Company in September 2007. Ms. Arnold joined the Company as Deputy General Counsel in September 2006. From 2003 to 2006, Ms. Arnold served as Associate General Counsel for Western Gas Resources, Inc., an independent processor, transporter and



Table of Contents

marketer of natural gas and natural gas liquids, in Denver, Colorado and from 2001 to 2003 she served as Vice President of Legal and Business Affairs and Assistant General Counsel for Crown Media Holdings, Inc., also in Denver. From 1998 to 2001, Ms. Arnold was an associate at the law firm Jones Day in Dallas, Texas, where she practiced securities and transactional law. Ms. Arnold began her legal career in Australia in 1993.

*Blaise T. Carrig*, 59, was appointed Co-President, Mountain Division, in April 2010. From September 2008 to April 2010, Mr. Carrig was Co-President, Mountain Division and Chief Operating Officer of Heavenly Mountain Resort. He was previously appointed Executive Vice President, Mountain Division and Chief Operating Officer of Heavenly Mountain Resort in January 2008. Mr. Carrig joined the Company as Senior Vice President and Chief Operating Officer of Heavenly Mountain Resort in September 2002. Mr. Carrig was President and Managing Director of The Canyons, a ski and snowboard resort, in Park City, Utah from July 1997 through August 2002 and, from 1976 to 1997, was employed at Sugarbush Resort in Warren, Vermont. At Sugarbush, he held various management positions in Mountain Operations, ultimately serving as the Managing Director of the resort.

*John McD. Garnsey*, 60, was appointed Co-President, Mountain Division, in April 2010. From September 2008 to April 2010, Mr. Garnsey was Co-President, Mountain Division and Chief Operating Officer of Beaver Creek. He was previously appointed Executive Vice President, Mountain Division and Chief Operating Officer of Beaver Creek in January 2008. Mr. Garnsey joined the Company as Senior Vice President and Chief Operating Officer of Beaver Creek in May 1999. Mr. Garnsey served as President of the Vail Valley Foundation from 1991 through April 1999 and as Vice President from 1983 to 1991.

*Mark L. Schoppet*, 51, was appointed Senior Vice President, Controller and Chief Accounting Officer in April 2010. From October 2008 through April 2010, Mr. Schoppet was Vice President, Controller and Chief Accounting Officer of the Company. Mr. Schoppet joined the Company as Vice President and Controller in November 2005. Before joining the Company, Mr. Schoppet was an independent consultant to the Company since 2004. Mr. Schoppet was Managing Partner of the Little Rock, Arkansas office of Arthur Andersen LLP, an accounting firm, from 1994 to 2002 and was an independent consultant to Arthur Andersen LLP from 2002 to 2004. Mr. Schoppet joined Arthur Andersen LLP in 1981 and has more than 20 years of public accounting experience.

*Paul Toner*, 48, was appointed Senior Vice President and Chief Operating Officer of RockResorts and Vail Resorts Hospitality in September 2009. Mr. Toner joined the Company as Vice President of Sales and Marketing for RockResorts and Vail Resort Hospitality in April 2008. Mr. Toner was Vice President of sales and marketing for the Hong Kong Regional Office of Marriott International, Inc., a hospitality company, from 2005 to 2008. From 2002 to 2005, he was area director of marketing for Marriott's Pacific Islands Regional Office in Honolulu, Hawaii. Mr. Toner held various sales and marketing positions within Marriott from 1985 to 2002.

Table of Contents**SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS**

Set forth in the following table is the beneficial ownership of common stock at the close of business on October 5, 2010 for all directors, nominees, the named executive officers listed on the Summary Compensation Table, and, as a group, such persons and all other executive officers as of such date.

Name	Number of Shares of Common Stock Beneficially Owned	Percent of Class
Roland A. Hernandez	40,071(1)	*
Thomas D. Hyde	11,321(2)	*
Richard D. Kincaid	16,321(3)	*
John T. Redmond	6,701(4)	*
John F. Sorte	47,571(5)	*
Hilary A. Schneider	0	*
Robert A. Katz	613,221(6)	1.70%
Jeffrey W. Jones	294,866(7)	*
Fiona E. Arnold	24,490(8)	*
Blaise T. Carrig	75,508(9)	*
John McD. Garnsey	85,266(10)	*
Directors, nominees and executive officers as a group (13 Persons)	1,272,229(11)	3.54%

\*

Applicable percentages are based on 35,974,440 shares outstanding on October 5, 2010, adjusted as required by rules promulgated by the SEC. Unless indicated by footnote, the address for each listed director and executive officer is 390 Interlocken Crescent, Broomfield, CO 80021. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Except as indicated by footnote, the person named in the table report having sole voting and investment power with respect to all shares of common stock known as beneficially owned by them.

The number of shares of common stock outstanding used in calculating the percentage for each listed person includes the restricted stock units, or RSUs, and common stock underlying stock appreciation rights, or SARs, and options held by that person that are currently exercisable or are exercisable within 60 days of October 5, 2010, but excludes RSUs and our common stock underlying SARs or options held by any other person.

- (1) Includes options to purchase 25,000 shares of common stock which are currently exercisable. Includes 296 SARs which would be exercisable for 173 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (2) Includes 296 SARs which would be exercisable for 173 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (3) Includes 296 SARs which would be exercisable for 173 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (4) Includes 296 SARs which would be exercisable for 173 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (5) Includes options to purchase 22,500 shares of common stock which are currently exercisable. Includes 296 SARs which would be exercisable for 173 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).



## Edgar Filing: VAIL RESORTS INC - Form DEF 14A

### Table of Contents

- (6) Includes options to purchase 25,000 shares of common stock which are currently exercisable. Includes 489,522 SARs which would be exercisable for 65,298 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (7) Includes options to purchase 180,000 shares of common stock which are currently exercisable. Includes 72,221 SARs which would be exercisable for 2,194 shares of common stock (assuming a fair market value of \$39.81, the closing price of our common stock on October 5, 2010).
- (8) Incl