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# **Ukraine Sees Bright Future on** Ski Slope

By OTTO POHL

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VOROKHTA, <u>Ukraine</u> — What does a young man fresh out of college in the poverty-stricken Carpathian Mountains of western Ukraine do with his life?



**Enlarge This Image** 





Anne Sherwood for The New York

The ski industry helped the Carpathian Mountains region of Ukraine pull out of an economic slump caused by the collapse of the Soviet Union.

mushrooms by the roadside, a common career path here, was not quite what Yuri Dobrovolsky had in mind. It would be better, he thought, to start a ski area.

So, too, did a number of well-heeled investors. With master plans from Canada, high-speed lifts from Austria and \$125 million in start-up capital, Mr. Dobrovolsky's Bukovel resort is the most significant investment in the region.

No great claim for this distant land of weathered wood houses and horse-

drawn carriages in this Ivano-Frankovsk oblast, or administrative region. But if investment plans for the next few years are met, Bukovel will be one of the largest ski resorts in the world, with more guest accommodations than megaresorts like Whistler, in British Columbia, or even Vail.

Plans call for a total of \$1 billion to be invested by 2010, when the resort will have 26 lifts and 75 miles of trails, said Mr. Dobrovolsky, now 31. The airport in nearby Ivano-Frankovsk is slated for expansion to handle international visitors.

Bukovel, while hundreds of miles from a major international city, lies at the heart of a vast area of rapidly developing economies and a growing middle class that thirsts for amenities. In fact, skiing is a good indicator of a developing middle class, said Don Murray, vice president of Ecosign, one of the world's largest mountain resort designers and creator of Bukovel's master plan.

"Eastern Europe and China is where the growth currently is," he said in an interview in February, adding that Bukovel was probably the largest ski resort in the world under development.

"We saw the market opportunity not only for tourism, but for building an entire market," said Bogdan Lesiuk, the regional director of the Ukrainian bank Privatbank, who led his company's negotiations to invest in the resort in 2002. Profit will come not only from the ski resort, he said, but from the other businesses made possible because of the visitor traffic. "Mountain streams all flow together into a big river," he said.

That river is still in the future. For now, the enormous base area dwarfs the scattered restaurants, ski rental shops, hotel complex and sleigh horses used to bring visitors from nearby hotels and, sometimes, to pull cars out of snowbanks.

But construction cranes sway and the resort already bustles with visitors in bright snow outfits, clomping from the parking lots to the lifts in the latest ski boots. The resort equipment is brand new, from Doppelmayr high-speed quad lifts to bar code ticket scanners.

With 600,000 visitors expected by the end of this season, Bukovel is already altering life in this region of 1.4 million



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inhabitants. Sport utility vehicles with Thule ski racks zip past people pushing battered milk cans on wheelbarrows. In local markets, entrepreneurs offer old, scratched Völkl skis for about \$50.

The Soviet collapse in 1991 hit this region hard. The wood mill in Vorokhta, for example, closed a decade ago, eliminating the only significant employer in this city of 8,000.

So the influx is welcome to people like Halena Heredijuk and her husband, Yuri, who rent two rooms in their home to visiting skiers and recently began building a guesthouse. About a third of villagers offer rooms for overnight stays, and everyone is discussing the skyrocketing value of real estate.

The Heredijuks plan to sell a 3.7 acre lot they estimate is worth \$300,000 and to build a small hotel with the proceeds.

In nearby Kolomyya, Vitaliy Pavliuk runs a small hotel, which he fills with skiers willing to exchange the 45-minute commute to Bukovel for cheaper accommodations. He is working with investors on a new ski hotel in the mountains.

"Now that I've done this first hotel, I want more," he said. "Everything is possible now."

Others agree. "There are 20 places you could build a ski resort," said Arkadiy Mudraninets, who abandoned a classical music career when his orchestra in nearby Uzhhorod went bankrupt in the wake of the Soviet Union's collapse. He has built a new career as a ski instructor.

The closest competitor to Bukovel is Dragobrat, a resort with Soviet- era roots but now upgraded with used European equipment. Up a 12-mile dirt-and-snow road passable only with military-grade trucks, Dragobrat offers Ukraine's highest skiing — and many say its best.

Yuri Bidniy, 54, one of Dragobrat's owners, says their \$1.5 million investment attracted plenty of local attention, but that it was not always desirable. "The local prosecutor, the police, the fire department, they all came for their bribes."

Since Ukraine's Orange Revolution in 2004, however, local officials have not bothered him, Mr. Bidniy said. These days, his guests are a more likely source of gray hair.

"Two young kids on snowboards came in after midnight and emptied a fire extinguisher on a sleepy professor who opened his door," he said. "I don't let snowboarders into the hotel anymore."

Mr. Bidniy and Mr. Mudraninets know that a vibrant ski industry is just one step in the right direction for a poor country.

"If I had a lot of money, I'd rebuild the Uzhhorod orchestra," Mr. Mudraninets said. "It's the sign of a good city. Good roads and a good symphony orchestra. When we have those things, you know Ukraine will have arrived."

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