PRESS RELEASE

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MICHIGAN PORTS STUNNED BY NEW ECONOMIC IMPACT STUDY RESULTS

April 18, 2019 Lansing, Mi...At a full day meeting and workshop held in Lansing, Mi. on April 18, 2019, the Michigan Port Collaborative released the results of the first “Full Spectrum” economic impact study of Michigan ports ever conducted in this state. Many state officials and legislators were represented at the gathering, including US Senator Debbie Stabenow and US Senator Gary Peters who provided video statements commenting on the specific results of the report (videos are attached). The study concluded that the total economic impact of Michigan’s ports and harbors was approximately $19.7 Billion...four times higher than any previous statewide port and harbor economic impact study. It also estimated that 151 thousand full time equivalent jobs were supported by the economic activity associated with Michigan’s ports and harbors during the period evaluated.

According to Felicia Fairchild, President of the Michigan Port Collaborative (MPC), “While a number of economic impact studies have been conducted over the years, those studies focused on traditional maritime measurements. We devised this “full spectrum” study to also include economic drivers for individual ports that add economic values which have not been included in previous studies such as port specific businesses, port specific tourism and port specific recreation.” She added, “We had a hunch the economic value of our ports and harbors was far greater then previously reported.”

Denny Blue, MPC Secretary stated, “The MPC is a 501C3 not-for-profit organization that has been involved in representing the ports of Michigan for over a decade on issues that are critical to the economic success of all port communities.” When lake levels dropped drastically in 2009, concern regarding the economic viability of many Michigan ports began to wane at the state and federal levels. The dredging and infrastructure challenges caused by low water levels created a trend in thinking, among some state officials, that our ports and harbors were an economic liability. Don Gilmet, Vice President of the MPC asserted, “We represent the ports of Michigan and we wanted to challenge that trend in thinking. He added, “Michigan Harbors are the front doors to our communities.”

The study was commissioned by the MPC in November 2017 and conducted by Dr. Vincent Magnini, PhD., Executive Director of the Institute for Service Research in Virginia Beach, Va. Bill Boik, Consultant, retired from the State of Michigan Department of Natural resources, also contributed to the study and participated in the nine-day tour of port and harbor communities who helped finance the project. In addition, Dr. John Crotts of Charleston, SC served on the research team.
Other important findings in the study revealed that an estimated $7.7 Billion in labor income can be attributed to the economic activity of the state’s ports and harbors; water-based tourism and recreation economic impacts are nearly four times the size of commercial economic impacts; the state of Michigan and municipalities within the state collected an estimated $1 Billion in tax revenues in 2017 due to water-based tourism and recreation in and around Michigan’s ports and harbors; and the federal government witnessed approximately $1.3 Billion in tax revenues in 2017 as a result of water-based tourism and recreation in/around Michigan’s ports and harbors. Marci Cisneros, Treasurer of the MPC added, "This project has been enlightening. We will utilize the results to educate our legislators and state officials regarding the monetary value of our ports and harbors going forward."

The study was conducted by the Michigan Port Collaborative through a matching grant, applied for by the City of Alpena and provided by the Michigan waterways through the Michigan State Waterways Commission. Grant matching funds were provided by the Michigan State Housing Development Authority and from the following localities: Alpena, Cedarville, Detroit, Douglas, East Tawas, Elk Rapids, Grand Haven, Manistee, Marquette, Muskegon, Onekama, Rogers City, Saugatuck, Sault Ste. Marie, South Haven, St. Joseph and Traverse City.

During the afternoon workshop, Participating ports received instructions on how to use a software program, designed by Dr. Magnini, to allow ports to update the economic impact figures for their port on an annual basis.

For more information call 616-218-1678 or log onto the MPC website at http://michiganportcollaborative.com

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