



# News Release

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## **Detroit Metro Airport Economic Impact = \$7.6 billion** *--Generates more than 71,000 jobs*

Detroit Metropolitan Wayne County Airport (DTW) generates more than 71,000 jobs and more than \$7.6 billion in total economic impact across Michigan according to a study released today by the University of Michigan-Dearborn and the Wayne County Airport Authority.

“The impact of activity at Detroit Metropolitan Airport on our economy is truly enormous,” said Lester Robinson, WCAA CEO. “Capital improvements at the airport pay for themselves many times over, in terms of generating income for citizens and prosperity for our communities. It is very clear that people throughout Michigan have a stake in the airport’s continued success.”

The Economic Impact Study was compiled by faculty members and students from iLABS, the University of Michigan-Dearborn School of Management’s Center for Innovation Research.

The study, led by Lee Redding, assistant professor of business economics at UM-Dearborn, estimated the economic impact of the airport on Wayne County and on the state as a whole, measured in terms of revenues, incomes and jobs.

As part of the analysis, Kim Schatzel, associate professor of marketing at UM-Dearborn, and a group of 12 students conducted a survey of more than 1,500 passengers traveling through the airport in December 2005 and January 2006.

In 2005, more than 36 million passengers arrived or departed from Detroit Metropolitan Airport, including 2.9 million business and pleasure travelers who stayed in Michigan and whose spending benefited Michigan’s economy.

In Wayne County, the economic impact of the airport includes over \$5 billion in spending for goods and services annually, over \$1 billion in annual incomes to county residents and more than 30,000 jobs, according to the UM-Dearborn analysis. Across the state, the economic impact of the airport includes over \$7.6 billion in demand for goods and services annually, over \$2 billion in annual incomes and more than 71,000 jobs for Michigan residents.

The report was based on both the direct and indirect impacts of the economic activity generated by the airport, and reflects important multiplier effects. Redding said, “Using different multipliers captures the fact that income generated by Detroit Metropolitan Airport not only impacts Wayne County but provides substantial economic benefits to businesses and residents in other parts of Michigan.”

Redding calculated that in 2005, the total demand for passenger service at the airport generated more than \$2 billion and that shipments from DTW accounted for more than 100,000 tons of freight with an impact of \$55 million.

Schatzel and her students found that two-thirds of the passengers were passing through DTW en route to other destinations, and another 23 percent were leaving or returning to homes in the region. The 11 percent of passengers surveyed who said they were visiting the area for business or pleasure would translate to 2 million visitors to southeastern Michigan per year.

Those who stayed in the area reportedly spent an average of \$548 on hotels, meals, rental cars and other expenses while in the area. Their spending totals to more than \$700 million per year, with an additional indirect impact of \$400 million per year, and supports more than 11,000 jobs in the county.

In addition to analyzing the annual economic activity generated by the airport, the UM-Dearborn study also looked at the effects of the Wayne County Airport Authority’s current renovation projects. The airport launched a five-year capital improvement program during the 2005 fiscal year which is expected to total \$1.225 billion when complete in 2010.

“These projects not only have immediate economic impact by creating demand for construction services, but the ongoing benefits that result from a superior airport,” Redding said.

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*The Economic Impact Report including color graphs and charts are at [www.metroairport.com](http://www.metroairport.com)*