



News Release

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Study: Willow Run Airport Has \$200 Million Annual Impact

-- Airport also supports more than 2,000 jobs

Freight and passenger traffic at Willow Run Airport represented \$200 million in economic impact and more than 2,000 jobs in Michigan in 2006, according to a study by researchers at the University of Michigan-Dearborn.

"A strong air cargo link is important to a successful economic development strategy," said Lester W. Robinson, CEO of the Wayne County Airport Authority. "This study shows that the billions of dollars in cargo which go through Willow Run each year already support many local businesses and jobs, and that growth at Willow Run means growth for Michigan's businesses."

The report was based on a study done by faculty members at iLABS, the UM-Dearborn School of Management's Center for Innovation Research. Led by Lee Redding, assistant professor of business economics, the study 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.

Within Wayne County, the airport's economic impact was more than \$100 million, generating more than 700 jobs and earnings of \$22 million.

Redding emphasized that the airport's impact is more than just the jobs it supports.

"Willow Run's true potential for supporting Michigan's future lies in the infrastructure it represents rather than simply the people employed directly at the airport," he said.

“A cargo airport like Willow Run is important to the economic revitalization of Michigan because it provides the necessary infrastructure for local businesses to expand,” said Redding. “Air cargo ships high value products, and those air cargo products are what America is good at producing and exporting. The airport represents an important piece of the economic infrastructure of Michigan with the potential to have an even greater impact in the future.”

In 2002, the federal Bureau of Transportation Statistics estimated that shipments by air were valued at approximately \$77,800 per ton in 2000 dollars, more than 120 times the comparable figure for truck transportation. Using this estimate and the estimated 2006 cargo volume, Willow Run is currently handling more than \$4 billion worth of cargo annually, according the UM-Dearborn study.

Expansion of the airport’s facilities would generate additional economic impact from construction expenditures immediately, and would increase the value of the infrastructure at Willow Run in the long run. This expansion can contribute to the development of proposed “aerotropolis,” an area of economic development surrounding Willow Run and Detroit Metropolitan Wayne County Airport.

“While our report quantifies the measurable direct effect of Willow Run Airport, the airport’s most crucial value to the region lies in its ability to attract future businesses that produce high-value products that must be shipped by air,” Redding said. “Air cargo represents a growing portion of the freight transportation industry. Further, goods transported by air are disproportionately high-value items and ones in which American business excels.”

Willow Run is best known as a cargo airport, but more than 210,000 passengers arrived at the airport in 2006 on charter, corporate and private aircraft. The UM-Dearborn study calculated the aggregate economic impact of those passengers, in addition to the value of freight shipments.

A substantial fraction of Willow Run’s passenger traffic is associated with Pfizer, so the number of passengers and their economic impact is likely to drop in the coming years as Pfizer closes its Ann Arbor-area facility, Redding notes. “Such challenges reinforce the necessity of having the transportation infrastructure necessary to create and attract profitable business opportunities,” he said.

Last July, UM-Dearborn released a similar study measuring Detroit Metropolitan Wayne County Airport (DTW) and concluded that activity there stimulated more than 71,000 jobs across the State of Michigan and an annual economic impact of \$7.6 billion.

A complete report of the study findings is available at www.metroairport.com.

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