



How the Outdoor Recreation Industry Is Good for All Michigan

Michigan's outdoor recreation economy is large, growing and its overall impact on Michigan's economy exceeds its statistical economic impact.

As Michiganders, we have long recognized the value of outdoor recreation to our quality of life, and the economic contributions from travel and tourism. But we had not looked holistically at this economy, with a wide variety of products designed, tested, headquartered and often made in Michigan that support outdoor experiences.

This changed in 2019 when Governor Whitmer created the Office of Outdoor Recreation Industry and named Brad Garmon as its executive director. The purpose of this new office was to identify industry businesses and partners, recognize emerging trends, and provide critical resources to support Michigan's outdoor recreation economy.

The Office's first priority was to take a deep dive into national and state industry data primarily from the Bureau of Economic Analysis (BEA). They report that Michigan's GDP directly tied to outdoor recreation contributes \$10.8 billion to our economy and supports 109,600 jobs. Manufacturing makes up about 14% of the total and employs about 7,200 people.

Nationally, the outdoor recreation economy is massive, approaching \$1 trillion in GDP value-add, employing 4.5 million people, with a participant base that includes 55% of the U.S. population over age six.

With this data, the Office has made a compelling case that the outdoor industry should be a focus sector in Michigan's economic development strategy. Also, thanks to our superb natural resources,

recreational assets and leadership in areas like mobility design, innovation and manufacturing, Michigan has the opportunity for national leadership.

One of the many benefits of the outdoor recreation industry for our state is that it shines a positive on us, as a place to live "where you love to play and where you can design, test and make products you love to play with."

Another benefit is its diversity. It is located throughout Michigan, in rural and urban communities, including some that are underserved. The products, the people and the places are also diverse, with more than 6,000 businesses with a broad array of products - from boats to back packs, recreational vehicles, snow-making equipment, bicycles, high-performance skis, footwear and apparel for all conditions.

It leverages our strength as a state that has long designed and made products on the cutting edge - faster, lighter, drier, cleaner, safer, and good for the environment, such as mobility electrification.

Ideas often stem from users who are passionate about outdoor recreation. Their ideas then take shape in a garage. As they mature, they create jobs, attract talent and investment, and stimulate local economies.

A great example is Shaggy's Copper Country Skis, founded by the Thompson Brothers. Their high performance hand-crafted skis, made in Boyne City, are now sold world-wide. Another is Vela e-bikes that blend classic style with technology produced in Detroit and San Paulo, Brazil.

Merrell, the global leader in active outdoor footwear and owned by Wolverine World Wide, is headquartered in

Rockford. Their mission extends beyond designing, producing and selling shoes, to "sharing the simple power of being outside, with justice, equity and inclusion as a pillar... to create lasting change for a more equitable and inclusive tomorrow."

While collecting data and identifying trends is important, Job One for the Office of Outdoor Recreation Industry is making connections to help businesses thrive. For example, Aull-Dry, a start-up company in Frankfort that designs and sells waterproof, warm jackets using recycled plastic bottles, contacted the Office for advice on reaching new markets. Garmon connected them with Pure Michigan Business Connect, a MEDC service that "match-makes" sellers and suppliers. Through that connection and a national partner, Founded Outdoors, Garmon then introduced the owners to a Detroit-based company, DetroitSewn, to test the potential of on-shoring production in Michigan - a small win, but a good example of how connecting business with resources can be a catalyst for growth.

Because we now better understand the value of our outdoor recreation industry, we are beginning to invest in projects and partnerships to nurture industry talent, innovation and production.

Partners like the Industrial Sewing and Innovation Center (ISAIC), located above Carhartt's flagship store in Detroit, are now part of "Team Michigan," committed to growing our outdoor recreation economy. Headquartered in Dearborn since 1885, Carhartt now employs over 5,500 employees worldwide. ISAIC produces high quality clothing, including Carhartt's iconic knit beanie. But embedded in its

mission is empowering people with the skills to apply advanced technologies and create pathways for workforce development and upward mobility.

Locally, the Traverse City Freshwater Research & Innovation Center, a \$26 million public private partnership will be the global hub for research, development and commercialization of freshwater and marine technologies. It will have a transformational impact on our region and state as it attracts talent and investment to innovate and commercialize products that benefit freshwater ecosystems.

Garmon, who this past year chaired a national network of state outdoor recreation offices, says that the outdoor industry is in rapid transition as it embraces and invests in new technology, data, electrification, materials, products, customers and experiences. "The outdoor recreation industry is a sector and a strategy that can help us connect the diverse array of players with opportunities in all aspects of the outdoor recreation economy to help grow existing jobs... or create your own job and company."

But he emphasizes that "the stakes are high and the time is now, because if we don't succeed attracting these investments, businesses and innovators, other states will."

To quote MEDC CEO Quentin Messer, Jr., "let's get it"... because the outdoors is good for all of Michigan.

Chris MacInnes is president of Crystal Mountain. In 1985, she and her husband Jim moved from California to join this business and together have led its evolution. She is also active in state, local and industry organizations.

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