

# Detroit Free Press

## In tough times, state needs ads

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Is Michigan about to shoot itself in the foot again, this time by letting its well-received "Pure Michigan" and "Upper Hand" advertising campaigns fade away for lack of money?

As of Wednesday night, the state Senate's budget proposal called for slashing promotional spending on Michigan tourism and business attraction to \$6.7 million in 2008. That's \$9 million below Gov. Jennifer Granholm's recommendation of \$15.7 million and a whopping 74% lower than the \$26 million we've spent each of the past two years trying to woo vacationers and businesses to our beleaguered state.

Forget for a moment whether you personally like or dislike the TV spots featuring idyllic Michigan scenes or actor Jeff Daniels extolling the virtues of the state as a place to do business. They've won some awards and research shows they've had an impact, but that's not the primary point here.

What's perplexing is why we would slouch back, in our catatonic economic funk, and allow competing states to pillage our businesses and tourist dollars without a fight.

Consider these numbers: Hawaii spent \$71 million to advertise tourism last year; Pennsylvania spent \$67 million; Illinois \$49 million; Florida \$43 million; Texas \$29 million.

Michigan, by contrast, spent \$13.2 million on the "Pure Michigan" campaign. That would be whacked to less than \$4 million next year, if tourism were to split the paltry pot of money proposed by the Senate with the "Upper Hand" business attraction campaign.

Another bad option: The "Upper Hand" campaign could be ditched and the entire \$6.7 million spent on "Pure Michigan," because we've always spent a few meager dollars on tourism and have no consistent history of pitching the virtues of our universities, skilled workers and quality of life to the business world.

"The worst thing that could happen for us as a state is to go dark" and stop advertising, says Lisa Dancsok, executive vice president of the Michigan Economic Development Corp.

In the next round of budget wrangling in Lansing, the Democrat-controlled House will presumably push for the \$15.7 million in Granholm's budget proposal. Perhaps the House and Senate will split the difference and authorize \$11 million or so to promote the state next year.

If you think other states are hammering us on tourism promotion, here are some scarier numbers regarding competition among states to attract job-creating businesses:

- Texas legislators provided \$295 million in 2003 to create the Texas Enterprise Fund, which makes cash payments to close deals, such as \$3.5 million given to Comerica Inc. this year for moving its headquarters to Dallas from Detroit. The fund was reauthorized with \$180 million in 2005.
- Other states with so-called closing funds that make cash payments to lure businesses include Iowa (\$85 million), Florida (\$45 million), (Oregon \$30.5 million), Ohio (\$10 million), and Wisconsin (\$8.5 million), according to the MEDC.

Michigan has no such fund for cash payouts. And the state-allotted money for job creation and job training was cut from \$50 million in 2001 to around \$24 million each of the past few years.

Sigh.