



School of
Management
TODAY

Spring 2004

UM-Flint Study on **Crim** **Impact**



A Look Inside **New Interim Dean** • **Making it in Manistee**

Dean's Corner

Dear Alumni and Friends,



I. Douglas Moon

As a long-time faculty member of the UM-Flint's School of Management (SOM), I have seen the whole spectrum of the inner-most workings of a business school from teaching students to working with the community to conducting research. Now, I am honored to serve our school in the role of the Interim Dean.

These are exciting times for SOM, and we have several ambitions. Our goals include expanding our services to meet the needs of our students. We are

also working toward enhancing the educational experience through research and community service. Projects like the Crim Economic Impact Study conducted by Dr. Mark Perry and our student, Darryl Barber of Davison, provide an excellent learning experience as well as a service to one of our local non-profit agencies. Another exciting endeavor we are investigating is an online Bachelor of Business Administration curriculum in addition to expanding our *NetPlus* MBA program.

Of course, we have a wonderful team turning our vision into reality. First, I would like to recognize Dr. Keith Moreland. Dr. Moreland was recently named the first Associate Dean for SOM

and he is working diligently with the operations of the school as well as teaching and research. I would also like to acknowledge Dr. Betty Velthouse, Dr. Seyed-Medhian, Dr. Fataneh Taghaboni-Durta and Dr. Mark Perry for the additional responsibilities they have taken on to expand the services of our school.

I extend a personal invitation to each and every one of you to visit us. We are always eager to hear from you! ❖

Sincerely,
I. Douglas Moon, Ph.D.
Interim Dean

Moon received his Ph.D. from Virginia Polytechnic Institute and State University in Industrial Engineering & Operations Research.

Crim Study

The Crim Festival of Races - Flint's premier annual tourist tradition - delivered a powerful \$8.5 million boost to the Genesee County economy in 2003, according to a study just completed by the University of Michigan-Flint's School of Management. More than 13,000 participants are attracted to Flint's annual showcase event each August, and runners at the Crim in recent years represented 42 U.S. states, 20 countries, and five continents. Including spectators, the crowds in downtown Flint for the 2003 Crim were estimated at almost 50,000 people for the three-day event.

The study by UM-Flint on the economic impact of the of Crim Festival Races on the Flint economy was conducted by Mark J. Perry, Associate Professor of Finance, in conjunction with undergraduate student, Darryl Barber of Davison, who worked on the project as part of an independent study under Professor Perry. Professor Perry and Barber used data on Crim attendance over the last 12 years, and followed the generally accepted statistical procedures to estimate the economic impact of tourism and special events on a local economy. Further, they had access to data from 1993 and 1997 surveys of Crim participants about how much money they spent while in Flint, how long they stayed in Flint on average, and how many guests accompanied them to the race. Using this survey data, the research team was able to calculate the direct spending in Flint during the 2003 Crim Festival of Races, on groceries, restaurant meals, hotels, entertainment, race registration, etc. This direct spending by non-local participants and guests each August during the Crim Race is the estimated, initial amount of new money that enters the Flint economy solely because of the race, and was estimated to be \$5.4 million in 2003. ❖



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Executive Summary

- The 2003 Crim Festival of Races had a total impact on the local economy of \$8.5M, a figure which includes direct and indirect impacts (Gross Sales Impact).
- The 2003 Crim Festival of Races generated \$5.4M of direct spending in the Genesee County economy. This figure combines the total dollars spent in the local economy by out-of-area visitors to the county over the period of the festival as well as a portion of spending from local residents which can be attributed to the *import substitution effect*.
- Spending by local residents is said to have been "captured" in the local economy because a certain portion of race contestants and their guests chose to substitute the Crim Race rather than an out-of-area racing event, thereby preventing this spending from "leaking" from the local economy. Import Substitution accounted for \$2.7M in direct spending and a Gross Sales Impact of \$3.2M.
- The total impact of the 2003 Crim on earnings for local households was \$3.4M and supported a total of 184 full and part-time jobs.
- Total attendance for the 2003 Crim was 48,901, of which 13,741 were runners and 34,350 were spectators and guests. 24,934 visitors and runners, roughly half of total participation, were from outside of Genesee County. These runners and visitors represented 42 states and 19 countries outside of the U.S.

In the twelve year period from 1992 to 2003, the Crim Race had a total impact of \$91.4M on the Genesee County economy.

CRIM RACE FACTS:

Race Origin: Started in 1977 by Speaker of the Michigan House, Bobby Crim

Total Number of Crim Races to Date: 27 races, from 1977 to 2003

Number of Runners in 2003 Crim: 13,741 Total (6,616 Runners from Genesee County or 48% of the Total; and 7,125 Runners from outside Genesee County, or 52% of Total)

Number of Spectators at 2003 Crim: 34,500 (estimate)

Total Attendance at 2003 Crim: 48,000 (estimate for Runners and Spectators)

Most Runners in One Year: 15,225 at the 1996 Crim

Number of U.S. States Represented in Recent Crim Races: 42

Average Number of U.S. Runners from Outside Michigan: 500 per year

Number of Countries Represented in Recent Crim Races: 20 (USA, Canada, England, Japan, Germany, Kenya, South Africa, Russia, Ukraine, Slovenia, Australia, Morocco, Lithuania, Denmark, Mexico, Peru, France, Ethiopia, Italy, Uganda)

Number of Continents Represented: 5 (Asia, North America, South America, Europe, and Africa).

Average Number of Foreign Runners at the Crim Race: 250 per year

Country with the Most Foreign Runners in 2003: Kenya (26)

Total Direct Spending in Genesee County at 2003 Crim: \$5.4m (Lodging, Restaurants, Groceries, Gasoline, Recreation, etc.)

Total Gross Sales in Genesee County as a Result of 2003 Crim with Multiplier Effects: \$8.5m

Income Generated in Genesee County as a Direct Result of 2003 Crim: \$3.4m

Jobs Supported in Genesee County by 2003 CRIM: 184 (Full and Part-time)

Average Spending in Genesee County per Non-Local Runner or Guest at 2003 Crim: \$107

Racers at CRIM Over the Last Ten Years: 142,713

Economic Impact of CRIM on Genesee County Over the Last 12 Years: \$91.5m

Crim Ranking in Top 100 Races in U.S. for 2002 According to Running USA: #50 (Highest Ranking for any Michigan Race).

Crim Ranking in Largest 10 Mile Races in U.S. for 2002: #4 (Ranked by Finishers: 5,783)

Crim Ranking in Largest 8K Races in U.S. for 2002: #28 (Ranked by Finishers: 820)

Crim Ranking in Michigan for Racing Festivals: #2 (Only the Race for the Cure in Detroit is bigger).