## The Economic Effects on Michigan of the Whirlpool Technologies, LLC, Facility Expansion Decision

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## Whirlpool Technologies, LLC, Facility Expansion Summary Estimates (2006–21)

(All monetary estimates in 2006 dollars)

TOTAL JOBS CREATED (as of 2021)	1,137
Direct	550
Spin-off (includes indirect jobs)	587
NET POSITIVE STATE REVENUE IMPACT	\$53,366,000
Revenue foregone	\$13,084,000
Revenue gain	\$66,450,000
Personal income generated over life of MEGA agreement	\$864,103,000
Statewide employment multiplier (average, 2007–21)	2.0
Average weekly wage of direct jobs (as reported by the company at time of application)	\$856

## **REMI Terms and Definitions**

Benefits estimated by the model: the total number of jobs created in Michigan (by major industry, including spin-off jobs), and the associated personal income and state government revenue generated due to the gain in economic activity resulting from the project.

Direct jobs: the jobs created at the project facility itself, as estimated at the end of the incentive period.

**Employment multiplier:** the total number of jobs created (direct plus spin-off) for every direct job introduced constitutes the employment multiplier. The numerator of the employment multiplier equals the number of jobs (direct and spin-off) created on average over the incentive period when the facility is at full operations. The denominator of the employment multiplier represents the direct jobs created yearly over the same period.

**Personal income:** the income of Michigan residents from all sources, after deduction of contributions to social insurance programs but before deduction of income tax and other personal taxes.

**Spin-off jobs:** Spin-off jobs are generated from two sources: increased purchases from Michigan suppliers; and spending by people who receive income due to the increased economic activity.

**Total employment effects:** direct jobs created at the facility itself plus spin-off jobs, as estimated at the end of the incentive period.

REMI estimates do not include the nonmeasurable effects that would produce additional economic and fiscal benefits for Michigan, such as the intangible advantages of influencing other location and expansion decisions.

Economic and Fiscal Effects on Michigan of the Whirlpool Technologies, LLC, Facility Expansion Net Benefits with the Incentive Package

Economic/Fiscal Indicator	2006	2007	2008	2009	2010	2015	2020	2021	Total 2006-2021
Total employment	333	771	792	1.051	1.063	1 085	1 120	1 137	
Manufacturing	8	12	10	12	on it	30,4	1,147	1,01,1	
Nonmanufacturing	325	759	782	1.039	1.054	1.082	1.123	1 131	
Retail trade	32	49	99	81	81	80	78	77	
Services	230	613	617	829	830	836	858	864	-
Other	63	82	66	129	143	166	187	190	
In current dollars (thousands):				·		•			
Personal income	16,000	38,000	42,000	54,000	59,000	76,000	95.000	100.000	1.098.000
Gross state revenue	1,230	2,922	3,230	4,153	4,537	5.844	7,306	7,690	84 436
MEGA cost	0	787	816	666	1,000	1,199	425	450	15 411
State revenue net of MEGA cost*	1,230	2,135	2,414	3,154	3,537	4,645	6,881	7,240	69,025
Adjusted for inflation									
(thousands of 2006 dollars):									
Personal income	16,000	37,192	37,132	47,555	51,111	59,986	68.210	70.463	864.103
Gross state revenue	1,230	2,860	2,855	3,657	3,930	4,613	5.245	5.419	66,450
MEGA cost	0	770	782	937	919	994	319	331	13.084
State revenue net of MEGA cost*	1,230	2,090	2,073	2,720	3,011	3,619	4,926	5,088	53,366

<sup>\*</sup>These estimates do not include any state government revenue losses due to the Investment Tax Credit.

Fiscal Effects on Michigan of the Whirlpool Technologies, LLC, Facility Expansion Net Benefits with the Incentive Package

	INEU OF MEGA COST   dollars)	1,230	2,135	2,414	3,154	3,537	3,920	4,106	4,368	4,548	4,645	4,893	5,058	5,294	5,601	6,881	7,240
MEGA Cost	In thousands of current dollars	0	787	816	666	1,000	1,002	1,046	1,092	1,143	1,199	1,259	1,325	1,396	1,474	425	450
Gross State Revenue	(In thouse	1,230	2,922	3,230	4,153	4,537	4,922	5,152	5,460	5,691	5,844	6,152	6,383	069'9	7,075	7,306	7,690
	Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021