

Director McDowell

Tue, 3/22 9:54AM 27:15

SUMMARY KEYWORDS

michigan, work, ag, rural development, state, people, farmers, agriculture, big, part, economy, grow, gary, food, farm, climate change, department, broadband, pandemic, mentioned

SPEAKERS

Announcer, Ed Clemente, Gary McDowell



Announcer 00:01

Welcome to The Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.



Ed Clemente 00:28

Hello, I'm Ed Clemente. I'm your host today. And we're fortunate to have the Director of the Michigan Department of Agricultural and Rural Development, Gary McDowell. He's also old time friend. Thank you very much, Director McDowell for being here today.




Gary McDowell 00:43

Well, thank you so much Ed, it's great to see you again. It's been a while but just love to see your smiling face any chance I get.



Ed Clemente 00:50

And you gave me permission to call you, Gary. So I will because I should mention, I think you and I came in the freshman class in the legislature. And I think we served all six years together. And I think that's correct, right? We did all six together? [Yes, we did.] And we had a lot of sleepless nights on the House floor where we were sequestered remember for almost 10 days I think at one point.



G

Gary McDowell 01:14

I remember we had to sleep, like you said asleep on the floor in the library there. And I remember rolling over one morning and seeing your face and I thought, why did I run for this job?

E

Ed Clemente 01:24

Ha ha ha ha Well, I do have a big nose. So why don't you tell people just in general, Gary, what like your title is, because it's actually been changed a little bit from previous directors, right? With Michigan Department of Agriculture and Rural Development. Why don't you kind of tell people what sort of happens there?

G

Gary McDowell 01:46

It was Department of Ag. And then there's this mine in the U.P. The Empire Mine, not the Empire, excuse me, it was the Eagle mine, that, we have a surtax on that and we get so much money per ton to go into rural development, a lot of us in the northern part of the state. So that was added to the title back approximately, 10 years ago. And I think it's very appropriate too because like of course ag and Michigan is big, it's one of our largest industries. We're a powerhouse when it comes to ag in Michigan here and, but also we're looking more at rural development. That's a much larger focus now of the department is what we can do to make sure that the rural part of the Michigan prospers is sustainable, and also, that we just with the Governor's New Michigan Economy, that we're part of it, we're not gonna be left behind. So that's probably the best way I can explain that. But I like the title and I can say it now, rolls right off my tongue. And it's just exciting to be part of Michigan Ag and Rural Development at this time.

E

Ed Clemente 02:49

Yeah, and you're, you know, in your background, obviously, we've mentioned the legislature, but I should mention folks, you have a slight accent, but it's only a UPer accent. And for people who don't live in Michigan listening to the podcast, that usually means you're from the U.P. you're from up in Rudyard, right?

G

Gary McDowell 03:06

Yes, I am. It's on the eastern end of the U.P. its kind of southwest of Sault Ste. Marie, approximately about 10 miles off Lake Superior, south on the south shore of course, but I'm in a real snow belt here.

E

Ed Clemente 03:20

And, and I know, for people listening that you also, your background primarily is then hay farming originally, right?

G

Gary McDowell 03:32

Yeah, I grew up on a farm here in Rudyard. We used to be a real strong farming community, if not, like most parts of rural Michigan, especially in northern Michigan its not as biggest part of our economy, but its still important here. And myself and two of my brothers, we kind of took over the family farm. And we just kept growing from there. And we went from an 80 acre farm to approximately 1000 acres. Hay's, our big, big market up here was kind of a heavy soil. But we grow some fantastic Timothy hay, which has shipped all over the country. Actually, sometimes it's gone to Saudi Arabia, England, years ago. And but I'm not no longer I'm directly involved in the farm, stepped aside for this, and actually, my brothers were really excited about that, because it keeps me away from the equipment now.

E

Ed Clemente 04:23

And I would imagine too that, you're I find that also interesting, which I didn't know, I think when I served with us that you were also UPS, I don't know what your title was there. But what did you do for UPS?

G

Gary McDowell 04:38

I was a driver for many years. And yeah, that's what the three of us, my brother, Ronnie, he worked out, he was a logger and I worked at UPS and Bobby kind of ran the farm. And of course during the summer, I'd take my vacation time and weekends and a lot of days out there working on the farm. It is a great way of life I'm, we're now we're looking at, you know, retirement someday from the farm and but it's just kind of keeps in your blood. So many farmers, they just keep going they just, it's just part of you and it's a great life as when you get the end of the day you look in that barn and you see it full of this really nice hay, smells good, looks good, just a real sense of accomplishment and just nice being out there working with the family, and also just the type of work that farming is outdoors. And, and you're your own boss. Yeah, why don't you you mentioned the term earlier. And you probably remember the committee I used to run called New Economy and Quality of Life. But what do you what is the, you know, Ag and Rural Development, what are you guys doing with the new economy? I know, you've probably got some exciting things you want to tell us about? Well, we're really looking forward to the new economy in Michigan. Coming out of the pandemic, we had a lot of lessons learned, people are gonna look back two years ago, you're going your grocery stores, you're seeing empty shelves, we're looking at what we, how are we going to keep the food supply system going. And now we're looking back and we're seeing what we can do. And we're working very hard right now on sustainability, making sure our supply chains are strong. And Governor Whitmer has made this a real priority, the rural part of the state. To make sure that we're not left behind. And she's she's created an Office of Rural Development. It's gonna be housed in MDARD, and this office will be focused solely on rural Michigan. I lived in rural Michigan all my life in a small community and and we've seen as we moved away from agriculture, what are we going to do what we got to make to bridge that gap and, and rural Michigan is much more than just farms. You know, as small industries, tourism, higher education up here, but we need to do more. And one of the first things we identified was broadband. The need for broadband for everybody coming out of the pandemic, that was just an issue. That people were working from home, children were doing their schoolwork from

home, and it just showed how much we need that, and if we're going to grow a new economy in northern Michigan, that's probably the number one issue. People can work from home we showed that can be done. I know a lot of people, like two of my daughter's who would love to move back to Michigan, and they might have the opportunity now, if we have broadband for everybody.

E

Ed Clemente 07:33

You know, and I think most people who are from out of state have no idea how, cuz I remember the Big Three when we were in the legislature even, were you know, manufacturing, agriculture and tourism and obviously, two of those things are big or maybe three, actually all three in the U.P. But also, why don't you sort of tell the diversity of Michigan because I remember we're always equivocated to like either California or Florida for diversity of crops too right?

G

Gary McDowell 08:05

Oh, Michigan Ag is a powerhouse. Last year was \$104.7 billion the food and ag sector contributed to Michigan's economy. You mentioned the diversity of Michigan, we have 300 different crops that are raised and sold as commodities in Michigan, making us one of the most diverse states in the country. And 805,000 people in Michigan are employed in food and ag. But the thing is, we have so much more potential here with that type of diversity. And one thing we have that, you mention California, we have here, we have plenty of water. And looking forward into the future when, with climate change as it gets hotter and drier out west, I think you're going to see more people looking to Michigan for their food. And we have a lot of great things going here. Now of course, that's one of the main purposes of the Department of Ag is food safety, human, animal and plant health. But people know if you buy food from Michigan is nutritious, is wholesome, and its safe. So those are things we got going for us. And we so we're looking at more processing in the state, because Michigan farmers are at a disadvantage being on a peninsula, so they have local processing, and to grow that part of our sector of our economy, but also to make sure that (with) another pandemic, that the food chain system is much more secure with food grown locally it helps your economy but also people know where their food came from, but we won't have those big disruptions that we had previously with the pandemic.

E

Ed Clemente 09:49

Yeah, you know, couple things with that. One is we had a previous guest on Dr. Parag Khanna who talked about in one of his books that he thinks Michigan will be one of the most desirable states in 2050 because of climate change issues. But secondly, I also wanted to mention we held another guest on Request Foods. And she she Menaka Able and she really does the manufacturing, you know, a food processing, but why don't you talk a little bit to about beyond just pure raw agriculture, also all the processing of food that goes on in the state too.

G

Gary McDowell 10:27

You mentioned Request Foods, they just made a large expanse in Michigan and we've worked closely with MFDC and also with our department we have a Ag Development Department

closely with MEDC and also, with our department, we have a Ag Development Department, which looks solely at how we grow food and ag in Michigan, that part of our economy and that was a great example there. Another one is down in Hillsdale, Michigan, there's Clemens Food Groups, one of the largest hog processing plants in Michigan. And just north of Lansing, St. John's, you'll see, Midwest Cheese it's the second largest cheese plant in the United States, and has the capacity to be the number one. And I can't remember the number, it's in the millions of gallons of milk that use daily and one plant supports about 20% of farmers in Michigan. And we have so much more growth there. Dairy is our number one ag commodity in Michigan. On the west side, there's Fairlight a very popular milk and also protein drinks. That's Michigan, there. We just have so many examples of processing in Michigan every time we do those economic development portion of that is jobs, but also supports our farmers. I look at every farmer as like a small business, independent small business. The resources, the economic activity that they put back into their local communities. And when the farmers are processing, our rural communities prosper with them. So we're just really focus on developing our ag sector even more, as I was saying, with the diversity, we have, the water we have, the great farmers we have, just so much potential. We're the number one, I would say industry and Michigan. Manufacturing still number one and most people think of Michigan they think a cars and manufacturing. Like I said before ag big. We're a big ag state.

A

Announcer 12:29

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E

Ed Clemente 12:46

You've mentioned quite a few partners, is there any other partners you work with either at the federal level or state level? I know there's the Michigan Ag Business Association. I know there's a lot of different groups out there.

G

Gary McDowell 12:59

Yeah, we definitely work with them across the board. MEDC though, is one of our closest partners, work very closely together. Our teams have come even more closer I say in the last few years, especially since the new CEO, Quentin Messere, he has really made a concerted effort to get out in the rural parts of the state. He has kind of a farming background. his grandparents were farmers. And he knows the hard work, but also the potential there. And I've spent more time with Quinton the last few months than I think I have with all the previous Directors together. And he's been to the U.P., I don't know, several times. And that just shows this guy, he's just go go go. And I think he's like that, it's almost contagious. I see all that energy and commitment. So contagious, I think some of it even rubbed off on me. But that's a great partner there working right now. We're with USDA, especially the Rural Development part of USDA. There's a new director there, Brian Fallon, he used to be on Debbie Stabenow's staff, Michigan for many years. Just a whole new philosophy outlook, really committing to Michigan ag, the rural part of the state. It's really putting an emphasis on that to make sure, like I said before, with our new Director of Rural Development, that we're not gonna be left behind. There's a lot of people in northern Michigan know that, feel that, and they're really excited

about this office. We have named a new director, her name is Sarah Lucas. Right now she's in Marquette working for the Lake Superior Community Alliance. And she was in Traverse City area working for the Traverse Chamber Alliance. So she's, she's from Northern Michigan, she's been working in this field for 20 years. She knows the needs, she knows the issues, and she knows how to get things done. So that's one of the things we're really excited to have this, have Sarah, as our partner growing rural parts of Michigan, working with our especially our smaller communities.

E

Ed Clemente 15:09

Yeah, one other guests we had as well was the Connected Nation Michigan, which is doing a lot of the broadband build out. And I know how important that is beyond just for communications in general, I go up north quite a bit myself and I know there's a lot of people that don't have really great connections. In fact, I know where you live, I think you have a little bit of a challenge.

G

Gary McDowell 15:36

I've had my challenges since we came home, to work from home. There's lots of days I have to jump in the car and just work off my phone. I go down by the Township Hall some days and what's really, we have an old system here, and I'm probably very fortunate to have what I have around communities here in the eastern U.P. outside the municipalities. It's an old system, it was a federal grant, maybe I think it was back before we were legislators, and that was part of it. And, and to help these little independent phone companies, because the big players like AT&T and they said, give us you know, a little more flexibility and we'll see what we'll do, we'll roll broadband out across the rural part of the state. And it hasn't happened yet. But my system is old, its not reliable. I can be having a meeting like us, we're having right now, and all of a sudden, I gets something goes across my screen saying your connection is failing. Like really fast. But that's I've had that happen so many times to me, and to really be efficient to work from home, to be able to do your schoolwork from home, and everything else we use the broadband for, we have to have a reliable system up here. And also it has to be affordable too.

E

Ed Clemente 16:56

Yeah. You also mentioned something else with and you probably you sort of half answered my next question, which is like what's ready trends in disruptors do you see? I know Michigan when I was the Liquor Control Commissioner, we did a lot with the growth of hops, actually in Michigan. And there's got to be some other sort of unique cash crops you think that might be growing, I know aquaculture is growing a little bit with you too.

G

Gary McDowell 17:21

One thing that, with the Farm Bill 2018, hemp became a crop for the first time in 80 years, I think that its legal. And we're just starting with that, but there's so much potential there. And it's a great crop for the northern part of the state. So we're working on that. Governor Whitmer has \$30 million in her proposed budget for ag development. These are the types of things we'll

be looking at. Now also, the other issue is wastewater, it may be something you don't really think about. But most of our ag, especially our processors are in the rural part of the state, there's no municipal system, where if there is one is just too small to handle these processing facilities. So we're really looking at that as part of that \$30 million. And also the \$10 million for Office of Rule Development. And what's so unique about Michigan, is that every community is unique, has its own what it has to offer, but also its own challenges. So with these two funds right there, I just see us really keeping up with the rest of the state and we won't be left behind anymore. If your zip codes like mine, 49780 or my area code is 906, which is the whole U.P., we're not going to be left behind. We're going to be part of Michigan's new economy, and the prosperity that's coming.

E

Ed Clemente 18:45

Yeah, you know, and the next question is a little different for you. Because I know you are I think you went to Sault Ste. Marie, Lake State, right? [Right, right.] Yeah, yeah. So which isn't too far from your house, probably, right? That's like maybe an hour drive? Yeah.

G

Gary McDowell 19:00

An hour drive isn't very far in the U.P. But it's closer than three hours away.

E

Ed Clemente 19:08

I tell people that the most western part of the U.P. is about the same level as St. Louis is right it's it's that far west.

G

Gary McDowell 19:16

I can tell you on western part of the U.P. like Bessemer, Iron Mountain, Ironwood that area there, it's closer to five capitals than it is to Lansing.

E

Ed Clemente 19:28

Well, you know, we had a Marty Fittanti on, Invest U.P. on, and he had some of it, by the way, the same transmission issues as well, when we worked, and he was in Marquette, actually. So we were sort of trying to help with that one. But I know that there's a lot of great activity going on in the U.P. but this is more for you, I had a quick question, but say you were to go back and speak to a high school group or maybe give your own self advice. What would you tell yourself differently this time, how you would want to do a career?

G

Gary McDowell 19:59

Glad you raised that point ed, AGgis something I want everybody to take a look at, if you're a young person, for all the opportunities in ag, its much more than just farming. We have, there's

veterinarians there's scientists, technology. Farming has become very, very high tech. And that's another reason for broadband in rural part of the state of course. But now, precision agriculture, you don't go out there and just spray the whole field or water the whole field, you can tell exactly where you need that, and also, of course it helps with our environment. And that's another big part of ag now in Michigan today at the department, we are really looking at sustainability in everything we do, how do we, you know, mitigate climate change? How do we, it's not just with us though, it's not just slowing down the rate of climate change, ag can actually be an industry, a powerful industry, which we all need of course, to actually reduce climate change, to reverse climate change. But the practices that we're discovering all the time, we have \$25 million, we're just allocated for this year to do research in Western Lake Erie Basin to make sure that we can improve the water quality there. But there's so much more research that we need to do all across ag. And it seems like right now we're in that stage where when we learn something, we kind of find out, man, there's that much more that we don't know yet. Do we got to keep up with this research. And I just see so much potential for Michigan ag and especially with talk about climate change here, our farmers, we're kind of we're on the front line when it comes to climate change.

E

Ed Clemente 21:42

It's funny, because we had another guest on was actually born the U.P. His name is Eric Roberts and he's running a tech startup place up in Traverse City, he was born, I think in Iron Mountain. But anyway, he said, You know, every industry nowadays, has tech involved with it. So a tech startup really doesn't mean a tech company. It means every company. I imagine a lot of farmers, I know are using GIS and GPS, as well as drones and everything else to help, you know, with crops and also mitigate as you said, pollution issues or sustainability issues too, right? Yes, absolutely.

G

Gary McDowell 22:21

Yes, absolutely. In this day and age, you can't even work on your own tractor hardly any more, if you buy a new one, its so computerized, its just like buying a new car. And so there's, that's just another opportunity for young people. I know that right now, most young people going into ag like just like, in our department, most of our employees grew up on farms, they have a ag background, but they don't necessarily want to actually farm. So they're still contributing to Michigan agriculture, something they love, they want to be part of, and there's just so many opportunities in ag. So I stress upon everybody taking a look at Ag, we do have a career development personnel in our department, just to get out and show young people going through school right now with the opportunities in ag and to really take a look at it.

E

Ed Clemente 23:12

Yeah, you know on a side note on that, from a lot of our interviews with people like on talent and workforce, we also know that generation Z and millennials kind of want to live where they want to live and Michigan has tons of opportunities to live in some really unique, small communities where you can really make a difference as well as mid-sized communities. And I think a lot of that ties into your rural development part, right?

G

Gary McDowell 23:37

Yeah, absolutely. We're um, that's one of the problems with we talk about the Upper Peninsula, every census since 1920, we have lost population. So it's, how do you grow an economy when your population is aging? Young people have to leave? And we've, and the studies have shown that in the rural part of the state our education levels are lower than the average, wages, incomes are lower. And with that, opportunities are less for our young people. And that's what we're really focusing on is to make sure they have the opportunity to stay and people who want to come and live in Northern Michigan, we want you, you're welcome. And you have to have the economic opportunities for them.

E

Ed Clemente 24:25

My last question for you, Gary, is you don't have to give this answer, I give everyone the option. But do you have a favorite event or place you like to go to in Michigan sort of like a mini Pure Michigan plug.

G

Gary McDowell 24:39

Just couple weeks ago, I was up in Marquette for the UP 200. I just come to mind right away. I was with Quentin Messer, the CEO that weekend. That's just the greatest event, exciting time. But the U.P. is like everywhere in the state through the summer. Every community has a festival. You mentioned the boat show down in Hessele, Michigan, that's just that's just one of them that's actually turned into a big event. Just like Cheeseburgers in Caseville, I think you were with me up there and walked in the parades for Jerry Brown. But what a festival, I'm it's just, it's all across the whole state. So I just it's hard to pick out which one's the favorite. But it's just a great state. That's another part of ag I just keep off is ag tourism. That's one of the things in department too that we're doing, support ag tourism. It's a big economic driver, but it helps our farmers with their products. And it's just fun in the fall, to go out with your family and maybe go to an apple orchard or cider mill or go cut your own Christmas tree. Those are all activities are involved with ag but they're outdoor, they're fun, this good, good family activities. And I think that's one of the things that we can really look at rural Michigan. It's just a great place to raise a family.

E

Ed Clemente 26:00

Well, one thing I will add the 200 race you were talking about so people from either downstate or out of state, they don't realize that its a dog sled race, right?

G

Gary McDowell 26:08

Yeah, a dog sled race, I should have mentioned that. I never thought about it just like I'm it's later we were in March and I'm in May, I can still have snow where I live.

E


Ed Clemente 26:21

 Ed Clemente 20:21


Wow. Anyway, I want to thank once again, Gary McDowell who actually is my friend from many years ago, but still a really good person that we've worked with on many different things. But once again, Gary again, is the Director of the Michigan Department of Agricultural and Rural Development. Thanks again for doing the podcast today Gary.

 Gary McDowell 26:40

Sure great seeing you Ed, and I look forward to catching up with you again in person.

 Ed Clemente 26:46

Join us for our next guest Denise Graves University Relations Director in Entrepreneurship and Innovation as she walks us through the unique field of university tech transfer.

 Announcer 26:58

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