

Ep.2.22 - Chris Girdwood

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SPEAKERS

Announcer, Ed Clemente, Chris Girdwood

- A** Announcer 00:02
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.
- E** Ed Clemente 00:28
Hello, I'm Ed Clemente, I'm your host today. You know, and we're fortunate to have Christopher Girdwood, would you welcome to the show, first of all, Chris, thanks for being here.
- C** Chris Girdwood 00:37
Thanks Ed, appreciate it.
- E** Ed Clemente 00:39
And Chris is the Executive Director for Detroit Regional Aerotropolis. And that's a mouthful, right? So what do you tell people when you meet them, they've never heard of it, what do you kind of tell them it is?
- C** Chris Girdwood 00:51
It's the region in Michigan, where I-275, I-94 and I-75 meet, four Class A rail lines and two very resilient and robust airports, Willow Run and DTW. So if you're in the transportation or manufacturing industry, you're going to want to locate in our backyard.

E

Ed Clemente 01:12

Yeah. And I mean, I think on your sheet, it says 6,000 acres is that about approximate amount?

C

Chris Girdwood 01:18

Well, about 4,000 now. We've about 2,000 acres has transferred hands over the last three years. And so we're seeing a robust speculative development, Class A industrial space coming online in the next three to five years.

E

Ed Clemente 01:31

Yeah. And I think maybe you could even say what popped in recently, actually, what sort of used up some of that space?

C

Chris Girdwood 01:39

Yeah, so we've had development from three large international groups. The first is Hillwood out of Dallas, Texas. And they came up and they have this unique Alliance airport product where they build high value logistics and distribution operations to move high value cargo in and out of airport operations. And there's one in San Bernardino, there's one in Dallas, we're going to be the northern operation for them. I'm pretty excited about that. Also, Ashley Capital, they have 35 employees in Canton, Michigan, they have about 1,000 to 1,500 acres under development in Southeast Michigan. And then our friends at NorthPoint out of Kansas City. And they're doing some some really interesting development work in the Class A industrial space, so three good partners to have in the aerotropolis region.

E

Ed Clemente 02:33

And and you know, I think, I don't know how well you want to tell the history, but the aerotropolis actually, you know, started under Ed McNamara way back, but can you just kind of give like sort of, the word aerotropolis, like the name came from and sort of the concept of it, and I think it's still staying true to form too why it was created.

C

Chris Girdwood 02:54

Yeah, it was a professor out of North Carolina, his name was John Kasarda. And he coined the term aerotropolis. And he was really interested about the future movement of people, and how talented people will locate adjacent to airports because they will travel from city to city, and no time to do business and to maintain friendships. Aerotropolis has evolved to include the movement of people and what we do is we're integrating the movement of high value cargo

into John Kasarda's vision. So if you want to move people and high value cargo, you want to create a concept where intermodal and multimodal operations can move seamlessly and the airport helps us do that.

E

Ed Clemente 03:43

Yeah. And why don't you kind of give like a sort of an overview because you're in two counties. How the two airports sort of complement each other, you know, both Metro and Willow Run. Willow Run's partially in Wayne County and partially in Washtenaw. But can you mention how those two sort of complement each other and what you're trying to do?

C

Chris Girdwood 04:01

Yeah, DTW is 18th busiest airport in North America and it's a large hub for Delta. And the movement of people through DTW and cargo under people and so we've seen an increase of movement of cargo on passenger airlines. But also, if you go to Willow Run, which is located just less than 12 miles from DTW. You have some really interesting flights over the Arctic into Southeast Asia and so as the OEMs in the tier one automotives start to bring high value cargo from their supply chain and Asia and other places, they typically land in Willow Run and then the assembly and the advanced manufacturing takes place here in southeast Michiga. And so we're pretty excited about some recent expansions Kolitta Air, USA Jet and a few others that Will Run have announced some very recent expansion and we're gonna double down on that, and provide more Class A industrial space in and around Willow Run and DTW to support those operations.

E

Ed Clemente 05:09

Yeah, and there's actually two and not to get too nerdy, but there's free-trade zones out there too, right? And why don't you kind of tell people what a free-trade zone is and why that benefits exactly what you're talking about?

C

Chris Girdwood 05:23

Yeah, so free-trade zones have a few benefits. One of the major benefits is when you pay duties and taxes on cargo that moves internationally. And so if you have a free-trade zone, you can bring your high value cargo into the Detroit Free-Trade Zone, and not pay any taxes or duties until it leaves that free-trade zone. And so let's say you only sell 50% of your cargo that's in the free-trade zone, you only pay 50% of the taxes and duties on that cargo that's sold. And so from a supply chain perspective, it's great because you can move your high value cargo in and around these free-trade zones and only pay taxes and duties when they move outside of the free-trade zone.

E

Ed Clemente 06:07

And you also have quite a few other partners. I don't know, I should have been paying attention more. But did you mention all the communities actually involved?

more. But did you mention all the communities actually involved?

C Chris Girdwood 06:15

Yeah, that true public private partnership of aerotropolis is I think where the benefit is and and so let's start out with the communities. The Mayor Bob McCraight, at the City of Romulus, Mayor Tim Woolley at the city of Taylor, Supervisor David Glaab at Huron Township and Supervisor Kevin McNamara at Van Buren Township. And those are the four core communities surrounding DTW and Willow Run. And then you have Administrator Gregory Dill at Washtenaw County. And then Wayne County, you have Andrew Kandrivias and Commissioner Al Haidous. And let's not forget the MEDC with Joshua Hundt, who is also a part of Aerotropolis. And so the board is made up of these 10 individuals and they get to sit down and they get to talk about how can this economic engine that is DTW and Willow Run and the Aerotropolis Region really support high value job creation in support of the mobility industry and our strengths in the mobility industry. And we're having some fun doing that.

E Ed Clemente 07:15

Yeah, and I believe that I was involved originally with the legislation when that was first being kicked around back then. And I know it's come so much further. And I think that under your guidance a little bit, too, it's actually seems like it's making really good progress now, and we appreciate what you're doing out there. You have a lot of background though, why don't you kind of tell us your path, because I think I think what makes you more exceptional in this position is that you come sort of tempered from other regions, even though you, want to kind of say you you're from Michigan originally, right?

C Chris Girdwood 07:54

Yeah, so first firstborn generation American. Both my parents were immigrants, and they came to Sterling Heights.

E Ed Clemente 08:02

Where did they come from? People always want to know.

C Chris Girdwood 08:04

Yea, so my mother was was Macedonian, and my father was Norwegian. And they met on a blind date in Sterling Heights, and I grew up in one of those nice pocket immigrant communities and had a great childhood with my two brothers and my sister in the full four seasons that Michigan offers. Went to Michigan State University, worked for the federal government went to the University of Michigan, and then I left for 11 years. I spent some time in DC, I spent some time in Los Angeles. In DC, I was working at the International Economic Development Council, and in Los Angeles, I was supporting the aerospace industry. And then went back to Northern Virginia and I worked in early-stage drug discovery. I was running a science accelerator where

we were pulling patents out of the university and building CEO teams to commercialize these, either biological or pharmaceutical drugs. That was really fascinating place to be, but you know Ed, I had three kids, and it was time to come back home and raise the family with good Midwestern values and it was nice to have the free babysitter, closeby. It's good to be back.

A

Announcer 09:16

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E

Ed Clemente 09:33

When you were doing the North Carolina, because I know North Carolina is one of the bigger states in the country for any kind of bio research. I know that, but you had like, was it nine wet labs? I thought I read that somewhere. I forgot how many, but people don't understand how critical those wet labs are for research and basic and applied both right?

C

Chris Girdwood 09:54

Yeah. So early-stage drug discovery is a very high risk or you have to I have a good deal of risk tolerance to be in this business. And what we did is we took 10,000 square feet and about \$1.3 million and we divided that 10,000 square feet into nine wet labs. And it was a biosafety level two containment facility, which means we had, you know, flus, and we had certain airflow technology that was required to do some of the experiments that were required in this early stage drug discovery. And so what we did is we leaned on the federal government through the SBIR and STTR programs.

E

Ed Clemente 10:34

We won't ask the acronyms to keep going.

C

Chris Girdwood 10:37

{Heh heh} And once we supported ourselves through federal funding, then we brought on Angel investment. And once the angel groups started to fund these early stage companies, then we recruited venture capital out of San Francisco and New York to come take a look at what we were doing. And we were successful in that model, it was always about derisking the investment once you got to the venture stage. And we did it quite well, given we were close to DC, because there was a lot of non-dilutive federal funding going around and so we were capturing that to derisked that investment for the venture teams.

E

Ed Clemente 11:15

Yeah, and I wanted you to highlight that just because, as Michigan, you know, I know, we're more of a mobility automotive state, but you know, the diversity of the state's pretty critical that people like you're on the ground, because you will see things through that filter that a lot of us are just used to more specific like mechanical engineering, or you know, and I just think it's very valuable that the more diversity we have in the state for that sort of broader spectrum of economic development. And one other thing too, our CEO Quenton Messer, obviously, he's a big fan of IEDC, the International Economic Development group, but you actually worked for him, which I think I would say the majority of economic development organizations in Michigan, every one of them has gone through that program or a member of it too, right?

C Chris Girdwood 12:04

Yeah, so back in 2008, when I was in DC, I ran the IEDC Training Course Program. And so I traveled about 25 different states, and we would hold courses on entrepreneurship and real estate development and marketing and business attraction. And I recruited the instructors and helped build the content for those courses. That was the core training and economic development I received that I lean on today.

E Ed Clemente 12:30

Yeah, I'm just saying. It's like your path was kind of similar to mine, where it was not, you stayed in the same compass direction, but it was a lot of different fields though, which, which actually helps you for everything in the long run. I think anymore, people who do well in careers are generalists almost sometimes, too. And having those specialist backgrounds make it more of a generalist at times. But anyway, so I know you've had a lot of diversity. And I know that is there, I know you had a couple of big projects. This is sort of the futurist little bit of question, but I know I've participated in a couple of them. So what are some of the more unique things you're also diversifying that platform with?

C Chris Girdwood 13:13

Yeah, that's a great question. And when I came on board here at Aerotropolis was two and a half years ago, I had pitched to the board whether or not they thought it would be a prudent investment to look at low altitude airspace and how moving cargo between 40 and 400 feet might be a new mobility revolution that's taking over and if we could lead in that maybe we could capture some of the follow-on private investment. If we were to build out the public infrastructure to flight safely between 40 and 400 feet and we started to do that. We partnered with a company called Airspace Link, they're a startup out of Detroit recently raised their series B round. And what we did is we took Airspace Link's technology stack, and we uploaded all of the community's GIS data. And so the City of Taylor, City of Romulus, Huron Township and Van Buren Township, they provided the locations of all of the sensitive infrastructure and their communities, whether it be roads or electrical infrastructure, water sewer, and we uploaded that into the Airspace Link technology stack. So if you were to fly an unmanned aerial vehicle or a drone, you would fly around the sensitive infrastructure. So it allowed us to create these rudimentary highways in the sky for advanced air mobility, and we

were one of the first in the nation to just kind of riff on this and and see how this component fit in to the multimodal logistics infrastructure we already have here in Aerotropolis. And we've been having some fun with that.

E

Ed Clemente 14:46

Well, I know that we've had Airspace Link on a previous podcast and I know they're trying to do things in both the medical field as well as the recreational fields and all that sort of is in under your sort of footprint, right? You've had a couple of unique opportunities to promote.

C

Chris Girdwood 15:03

Yeah, and it was funny, because when we started talking with the board here at Aerotropolis, there were some comments as to, you know, why don't you show me exactly what you're trying to do here, Chris. And so I said, okay, so we went out to the Lakes of Taylor Golf Club, which is an unbelievably beautiful golf course. And what we did is we flew a drone at about 150 to 200 feet, the hole 16 and delivered snacks and Gatorade to golfers at the golf course. And, and when, you know, Congresswoman Debbie Dingell came out, and we had the Aerotropolis board, they actually saw some of the capabilities and, and more recently, we had an event at Beaumont Taylor, where we had a very advanced, unmanned aerial vehicle that was loaded with medical vials, and was flying at 200 feet. And it showed the medical use case of how utilizing low altitude airspace could deliver medical items in real time it was it was pretty fascinating.

E

Ed Clemente 16:11

Yeah, I was at that one, along with Charlie Tyson from the MEDC. And I thought that was pretty impressive. Considering like organ donations, you know, he mentioned that it could go up to 15 pounds. And, you know, you know how much that stuff anyone's known anybody who's had organ donation or, but I mean, that's kind of a little bit more dramatic ones. But it might even be simpler things eventually say, from CVS drugstore to deliver your insulin, right? If you're low on insulin, or you broke the bottle or something, right, and, but there's just going to be so and they gotta follow these highways. And once you tell people, again, with GIS means even though I know it, but go ahead.

C

Chris Girdwood 16:51

Yeah, it's a mapping software. And so it's referred to as Geographic Information Systems. And we use the tool to map out where all of the rail lines are, the roads are the electrical, water, sewer, and all of the infrastructure in a community is and where your schools are located. And what we found is that some of the existing infrastructure that is century years old, like our rail lines, could be the future highways in the sky, because there's already noise associated with rail. And there's already industrial development and logistics and distribution networks associated with rail and so why not fly between Ann Arbor and Detroit over the Norfolk Southern rail line, where there's no traffic and there's already multimodal and intermodal capabilities. And, and we're studying that and the State of Michigan, you mentioned Charlie

Tyson, and his and the team at the Office of Future Mobility, electrification and MDOT are doing some really fascinating things and pushing this idea forward. And so we're a good partner with them.

E Ed Clemente 17:55

Yeah, I mean, I could just feel like I could do a podcast, like 10 podcasts just on GIS and how that is moving. And, you know, we've had guests in on edge computing and autonomous vehicles. And you also work with ACM a little bit too, right?

C Chris Girdwood 18:09

We do. And so ACM is the sandbox, which is...

E Ed Clemente 18:13

American Center for Mobility, I better use not use acronyms either. Go ahead.

C Chris Girdwood 18:18

And the American Center for Mobility is this great sandbox, where it's a 500-acre autonomous vehicle testing facility. And, and currently, you have the OEMs, testing autonomous vehicles, but if we could bring in this aerial component, so we could test unmanned aerial vehicles or drones alongside of ground vehicles. And there's also that rail spur running just north of it. We think you've got the future of multimodal intermodal capability testing. And we're working on that.

E Ed Clemente 18:51

Last couple of questions. I told you, it goes by fast. If you could go back, and maybe because you've had an interesting career, but would you go back and tell yourself to do anything different? Or would you tell somebody else? You know, if you're doing a mini commencement speech, what would you tell folks?

C Chris Girdwood 19:08

Yeah, that's a good question. If I had to look back, I think that I would have gotten involved with music a little more seriously. I started playing the guitar and the piano and my late teens, but I would be a lot better if I started in my early teens or even when I was nine or 10 years old, and so I think yeah.

E Ed Clemente 19:34

So you want to balance between both sides of the brain is what you're saying.

C Chris Girdwood 19:37

That's true. Good way to put it.

E Ed Clemente 19:40

By the way, do you speak either of your parents languages?

C Chris Girdwood 19:43

I do. Yeah. You know, when when I was in trouble, the Macedonian was the language of the house.

E Ed Clemente 19:50

Was it Greek? Was Greek the language of the house?

C Chris Girdwood 19:54

Macedonian.

E Ed Clemente 19:55

Macedonian, right. Sorry, I don't want to start a war fight. Yeah, I know Andy Kandrivias is on your board, so I know you... [We talking all the time.] And is there like any leader that you admire their sort of leadership skills.

C Chris Girdwood 20:15

Yeah, the early aviators, you know, Amelia Earhart, and Charles Lindbergh. And I think, being, or helping promote the aviation industry the way we are, I have more respect for those early pioneers, who pushed the limits of the vehicles and themselves, to really, to bring this technology into the future and help communities embrace it. And so I know you're an avid reader of historical figures, and I'm finding myself doing the same now.

E Ed Clemente 20:47

Biographies I think, provide better blueprints than trying to do it through philosophy sometimes. So the last question is, I know you've got little kids now, you've move back, you got these built in babysitters. So where do you like to go? Where's your family like to go in

Michigan?

C Chris Girdwood 21:03

So I want to go to the U.P. I didn't have a chance growing up to spend too much time in the Upper Peninsula, but now with kids, I think I'm gonna I'm going to rent an RV and we're just gonna go up there and get lost.

E Ed Clemente 21:17

Oh, that sounds wonderful. And I think it's great that you're doing that. And it's nice with kids, I would imagine too, because their eyes are so much better than yours to see stuff you wouldn't even think about. Yeah. Well, anyway, thanks again. Our guest again was Christopher Girdwood, Executive Director, Detroit Region Aerotropolis. You did a great job today and I'm sure we could talk a lot longer but thanks again for being on the show, Chris.

C Chris Girdwood 21:41

Hey, you bet Ed, always great catching up. We'll see you soon.

E Ed Clemente 21:44

Join us for the next episode, where our guests will be Dale Robertson. He's the President and CEO of the Grand Rapids Public Museum. And you're going to learn a little bit what is an XQ super school, the only one in the Midwest.

A Announcer 21:59

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