

Tuesday, September 30, 2008

Cobo Hall expansion: SBA student assesses impact through independent study

Independent studies provide students with the opportunity to reach a higher level of understanding in specific areas under the guidance of faculty mentors, truly creating a meaningful student-centered course. Andrew Batson, a general business major and economics minor in the School of Business Administration (SBA), did that and more during his independent study in urban economics, with faculty mentor Jonathan Silberman, Ph.D., professor of economics. Through the course and resulting report, Batson delved into headline issues facing Detroit today by focusing on the economic impact driving the debate surrounding the Cobo Hall renovation and related funding proposals.

For his project, Batson analyzed the economic impact forecast by David Sowerby, chief market analyst for Loomis Sayles and Co., identifying errors and omissions to come up with a more realistic estimate. The final report, titled *The Economic Impact of the North American International Auto Show (NAIAS): A Critical Analysis (Does the Sowerby study provide the right data?)*, serves as a second assessment of the proposed expansion, and specifically, as a counterpoint to the Sowerby projection.

The central point in the longstanding discussion is retaining Detroit as the host city for the NAIAS by making Cobo more inviting to the organizers. While everyone agrees that the NAIAS is a critical component to Detroit's positive image, the gap comes when the discussion turns to funding a renovation, and the actual impact the NAIAS has on Detroit and its surrounding counties.

That's where Batson's independent study report comes in. While the Sowerby report forecasts the NAIAS has a \$476 million impact on the area; Batson's analysis says the maximum impact, correcting errors in the Sowerby report, is closer to \$77 million. Through his independent study, Batson reviewed the data collected in the Sowerby study, identifying critical errors in assumptions about how local and non-local visitors would spend their time and money during a NAIAS visit.

Batson went one step further by assessing an omission from the Sowerby report: The economic impact of exhibiting companies. Using figures from the New York Auto Show, Batson estimates that impact would be in the \$100 million range, bringing the total impact to \$177, still substantially lower than the Sowerby projection.

"This is significant data on a timely topic," says Silberman. "Since the Cobo project involves a great deal of taxpayer dollars, decision makers need accurate data to make the best decision. This real life scenario provided a great learning opportunity and may influence decision makers in the area."

It's this type of experience that makes an SBA education unique and valuable. "Independent studies provide a rich opportunity for OU students," agrees Batson. "Through this course, I had the chance to work closely with OU academia and corporate stakeholders of the Cobo Hall renovation initiative while also gaining valuable research experience I can use entering my graduate program. The benefits of an independent study are enormous; I would recommend this experience to anyone."

Andrew Batson is a general business major and economics minor at Oakland University. This research was in fulfillment of his independent study in urban economics. Andrew will graduate in May 2009 and plans to pursue a graduate degree in urban planning. Jonathan Silberman is a Professor of Economics at Oakland University and the supervising faculty member on the study. He has extensive experience performing economic impact studies for the Army Corps of Engineers and other public agencies. See the link for a copy of the complete report. For a commentary written by the professor and the student [Click Here](#).

[View Complete Analysis](#)

SUMMARY

Independent studies provide students with the opportunity to reach a higher level of understanding in specific areas under the guidance of faculty mentors, truly creating a meaningful student-centered course. Andrew Batson, a general business major and economics minor in the School of Business Administration (SBA), did that and more during his independent study in urban economics, with faculty mentor Jonathan Silberman, Ph.D., professor of economics. Through the course and resulting report, Batson delved into headline issues facing Detroit today by focusing on the economic impact driving the debate surrounding the Cobo Hall renovation and related funding proposals.

Created by Scott Klimecki (smklimec@oakland.edu) on Saturday, October 10, 2009
Modified by Scott Klimecki (smklimec@oakland.edu) on Saturday, October 10, 2009
Article Start Date: Saturday, October 10, 2009