

Op/Ed by Michigan Chamber President & CEO, James Barrett

Attention: Editorial Page Editor

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Water Resource Management Deserves Proper Debate
By James Barrett, President & CEO, Michigan Chamber of Commerce

Civil public policy discourse is beneficial. Honorable people often disagree about important public policy matters, and offer their opposing viewpoints in a way that educates and informs everyone.

But honorable discourse depends on honesty and civility. If one party in the debate distorts facts and invents information that has no basis in reality, the public is harmed.

For more than 30 years, I have been engaged in and observed important, vigorous public policy debates in Michigan. The debate over the wise use of our natural resources is one of the most important. That is why I am so concerned about the inaccurate and misleading statements made by a group called Michigan Citizens for Water Conservation (MCWC) in opposing the Ice Mountain spring water bottling plant in Mecosta County.

The reasonable use of water in Michigan deserves discussion, even though many companies have been bottling water in our state for decades, at least one for nearly 100 years. Many of MCWC's public statements against the Ice Mountain facility are outrageous, and fail to meet any reasonable test of honesty, let alone serve to educate the public on the important issues.

In the interest of brevity, I want to set the record straight on three of the most outlandish statements made by MCWC.

First, MCWC says that Ice Mountain will realize a profit of \$1.8 million per day from the plant -- that would equate to a profit of more than \$600 million per year. According to the company's financial statements, Ice Mountain had gross sales of \$106 million in 2001 -- before paying salaries, insurance, capital construction and maintenance costs, utility bills, marketing, taxes and all other expenses associated with running the business. Bottled water companies typically realize profit margins of approximately 10 percent, meaning that Ice Mountain's net profit last year was about \$10 million -- amounting to just over \$27,000 per day net profit compared to MCWC's alleged \$1.8 million daily profit.

Second, MCWC claims that Ice Mountain will pay no taxes. In fact, the Ice Mountain plant is already paying substantial taxes to local and state government. Nearly \$700,000 in local property taxes will be divided between Mecosta Township, where the plant is located, Mecosta County and local school districts. Once an abatement period ends, the plant will pay more than \$1.5 million annually in taxes to the township, county and school districts. Ice Mountain is among the largest employers and taxpayers in Mecosta County, already employing 94 people following the plant's start up in May.

Third, MCWC claims that Ice Mountain's use of groundwater "sets a precedent" and constitutes a "diversion" of waters of the Great Lakes. That is not the case. Bottled water has been brought into and shipped out of Michigan for decades. Water is used in the production of most products grown or manufactured in Michigan. Every bottle of soda, beer, and fruit juice; every can of cherries, peaches, and applesauce; every jar of baby food, package of eyewash, and can of stain or paint; every kilowatt of electricity; every computer and car part made in Michigan uses water in processing or manufacturing. Is every user of water now going to be subject to attacks by MCWC?

Enough is enough.

MCWC's distorted claims vilify a strong, vibrant company that is contributing enormously to the economic benefit of Mecosta County and all of west Michigan, and is doing so in an environmentally sound way.

MCWC and those helping to lead the group should stop their irresponsible claims. Residents of Mecosta County and all of Michigan deserve better.

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SOURCE: Michigan Chamber of Commerce

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