

Casey Cowell Is Putting His (Considerable) Money And Ideas Into Traverse City

By Luke Haase | Nov. 15, 2018

His name is on Munson Healthcare's Cowell Family Cancer Center, he pledged \$1 million to Northwestern Michigan College in August and then another \$1 million to the Grand Traverse Regional Land Conservancy in October. He helped incubate Traverse City's startup incubator, and his investment group Boomerang Catapult is working to take local companies national – and bring national companies to Front Street. So what motivates a man whose own company (U.S. Robotics) sold for \$6 billion to put so much behind Traverse City? And what is the single factor that could contribute to Traverse City's success or failure, according to Casey Cowell? The Ticker sat down with him to hear.

Ticker: You obviously believe strongly in Traverse City. Why?

Cowell: I like small communities, because I think people are more personally engaged in them and with their peers and fellow citizens, and that's more interesting. They get engaged in all aspects in community life.

Ticker: But you do have roots here...

Cowell: Yes, I grew up vacationing here. My dad was a pipe fitter at a small business. He came to the Torch Lake area in the 20s camping when he was little. They retired to Eastport in the late 60s. I had always really liked it up here. Later when I was married we vacationed here from the Chicago area; I was commuting back and forth, and my wife stayed up here. Then in 1991 we moved to Elk Rapids and raised our family there. It was great. Then later in the 90s we divorced and I moved to Traverse City. But yes, I've been in the area a long time.

Ticker: You virtually singlehandedly brought Atlas Space Operations here, helped start 20 Fathoms, you're an investor in [Inphastos](#), you funded the cancer center and the college. What's your vision for the area say, ten years from now?

Cowell: Well, just to back up a bit. Four years ago we had the summer of the endless festival. Every time you went into the city the waterfront was torn up and overrun with crowds, and yet simultaneously, though, most of the restaurants and businesses didn't do well, because most festival goers didn't spend money downtown. The film fest was the exception. That was the impression I had. And the conclusion I reached from traveling a lot was that this city could easily become Key West or Gatlinburg which, in my view, are disasters. They're not places to live or raise your family. They used to be great, but were lost to excessive commercialism and tourism, and I felt Traverse City was heading that direction. We have an abundance of resources, and it would be a shame to see the place overrun by one schemer after another out to make a dollar by raping the community. Those aren't the kind of people you want to attract, neither the people who develop those things nor those who go to them all the time. So my question was 'where was the high value business creation community?' I didn't see anyone stepping up to say 'hey, what's going on here?' So I met with 33 people who owned or managed businesses that created a lot of value, meaning whatever the raw materials cost of their product, they turned those into something that's worth high value and they ship it all over the world, and that step-up in value flows to the owners, managers, creators, employees and they live here raise families, put money here, buy real estate, they participate in their community and church and school system. So it's bright people who create value who congregate in a community that are the only force to keep this place or any place from getting wrecked.

My goal, or my mission you could say, and it's fun to be on a mission, is to help develop the high value creation economy here, because in this day and age, anybody can live anywhere in many professions, and whole businesses can be located here...their products and services marketed and shipped all over the world. So my interest is in attracting people to live here who are really smart and are also really committed to the community. I'm trying to do that in every way that I can see. The big focuses are to raise everybody's awareness on the long-term economic impact of everything we do and the long-term impact of population healthiness and cultural healthfulness. Because when we try to attract really smart people to Traverse City versus say Bend, Oregon or Boulder, Colorado, we don't stack up well on the healthful culture front. We have great healthcare with Munson and 501c3 groups focused on lifestyle and environmental positive impact, but how are they woven together in a tight-knit fabric that screams healthiness in the habits of our daily life? It isn't there. So Jim Huckle and I have funded an effort to hire Jesse Wolff, a senior player in

Colorado's healthy population efforts. And he's here now and really hit the ground running. His reason to breathe is to impact our area, coordinate the resources we have, and lead in how to turn this place into a healthy population and a healthful culture.

Ticker: So people deciding where to move their business would decide against a place like this because there aren't enough healthy people?

Cowell: Sure. Michigan is tied for 10th worst in obesity with Indiana. Colorado is always top rated. So when we bring people here and they've just been to Boulder and we take them down Front Street, it's not pretty comparison. Our people aren't as healthy. They'll say 'where are all the bike riders? Where are the cool groups I can hang out with?' It's really how inviting and in sync with them is our local culture. A lot of places are really about it, and we're making progress here, but the numbers don't really support it on obesity, for example.

Put it this way: the healthier the population, the more positive the environment. I got an email from a guy who ran a small company in India, as did his wife, and they were interested in moving here, but we lost them to I think to Boulder. And that was an issue. I met with a person yesterday who had some ties to the area a long time ago, and has been in Silicon Valley for 30 years. He read about all the stuff we have going on here, and they're looking to move, and it's down to us or Colorado. So they're here visiting, and we've got Interlochen, National Writers Series, our college, Front Street, the opera house, the symphony, all kinds of cool culture, but we don't pull it all together with this healthy outcome. We're doing better, but...

Ticker: It just seems like most people would expect you to say, given your business background, that you were prioritizing building a local network of investors, or attacking the tax structure. Instead you're focused on peoples' health in order to transform the region?

Cowell: Well, I can build a network of investors and I can argue for a better tax structure, but I can't fix population health. Every institution here has to be inspired and engage in thinking about these issues collectively in everything they do. That's how you change culture. If you want to attract really cool, progressive, smart, productive people -- the kind I want to live with, smart thinkers who are engaged -- you have to give them a cool environment.

On the tourist front, and this is really long-term, between Interlochen and the college and some of the amazing companies we have, it would be great if Traverse City could differentiate itself rather than being known as the home of Sleeping Bear Sand Dunes or the home of the #1 ice cream shop, what if we were known as the greatest destination for experiential learning? So if you wanted to learn to conduct an orchestra, learn how to draw or paint, learn how a microprocessor works, cook Asian food, weld aluminum, fly an airplane, fly drones.... me or my family or me and my friends could go to Traverse City for three days or a week or a month and learn this stuff. If we did that, and we have all the resources to do it, on the tourist/visitor front, the people coming here would self-select themselves as those we'd want in the long run here. In my view.

Tourism is great and it's fun to have new people come, but it'd be great if it was directed in a way, instead of just more hotels and stuff, that it contributed to the long-term value creation of the community.

Ticker: Some say Traverse City is losing its character and charm. Does Traverse City have to be bigger to be better?

Cowell: No. A year and a half ago my wife and I went to Boulder and Bend, and I believe Boulder has a 60-foot limit height on buildings, aside from only one higher on campus. So it would be great if Traverse City didn't lose its charm. But it's gonna grow, so the question is what does that look like? My view is attracting smart, highly creative people is the best direction.

Ticker: You sometimes make provocative statements like moving the chamber of commerce and the visitors center because they sit on the most valuable land in town, or maybe moving the city and county offices to Cherryland Mall. Do you believe that?

Cowell: They're provocative statements, but only because they're complicated to pull off. There are entrenched forces that would make that hard to pull off. But if it happened it would be great. The mall is the perfect place for government offices, and it's not clear at all to me why government offices should be overlooking the river on some of the most valuable residential real estate in the area. It's true it wouldn't be as easy for some to walk into the offices, but if it was at the mall, BATA could get you there, and the mall is pretty accessible. Thirty years ago, when the chamber and CVB were built it was a different place. But now, it's not the right thing for the community to use that property for those purposes, and ditto for government offices. I think they should be moved in the best long-term interests of the community. I shouldn't be the one to bring this up; everybody who works in those places, it should be crossing their minds, 'wow, how are we sitting here on this piece of property?'

Ticker: What about the proposed train service connecting Ann Arbor to Traverse City?

Cowell: I haven't read the report, but I believe the author said that this is really about tourism, and that's the only thing that makes this train possible. And if we can pull this off, we can move millions of tourists into the area. So based on that, in my mind, total disaster. I don't think we need to bring many, many more people here on a transitory basis, at least not for my nickel. I'd rather make the community great for the people who are here and want to live here. Then if people want to come visit, fine, but I wouldn't go down the path of undertaking anything that would inspire people from out there to come here on a transitory basis.

Ticker: Maybe the fastest path to implement your vision is to run for office. And you have the money to not fear anyone...

Cowell: No. Not for me. That could be, but you can be influential and cover a broad range of bases and factors quickly from the private side. I don't think I have the temperament for it.

Ticker: I can't imagine how inundated you are with requests for donations.

Cowell: We set the record about a month ago. I got 11 requests in one day; half were emails and the others were calls from people I know. I never like to say no; I'm just not oriented that way. I'm extremely fortunate to be in a position to do some of this stuff, and service is its own reward. It's the most fun thing I get to do, to be engaged in all of this. And sure, it's endless, but that's just how it is. You don't like to let people down. I've never met anyone here who was in any way presumptuous or disrespectful. They're always appreciative and tactful to even be considered. And that makes it harder to say no.