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## Is Span Plan a Bridge Too Far?

*Car Makers Seek New Link to Canada, but Some Say Michigan Shouldn't Back It*

By JOSEPH B. WHITE

DETROIT—A plan to build a new bridge between the U.S. and Canada to expand capacity for North American trade has become a flash point in the debate over government's role in financing infrastructure projects.

Michigan business groups, auto makers, unions and economic-development boosters have long dreamed of building such a bridge over the river between Detroit and Windsor, Ontario. They hope to create a trade superhighway linking Canadian ports with factories and farms in Michigan and markets in the U.S. heartland.

Now, with strong support from Republican Gov. Rick Snyder, bridge supporters are pushing the Michigan Legislature to pass a bill by year end authorizing the \$2.2 billion "New International Trade Crossing," which would use a mix of U.S., Canadian and private financing.

But the new bridge still faces deep skepticism, despite the promise of thousands of jobs and the powerful interests behind it.

Detroit International Bridge Co., owner of the current main Detroit River crossing, the 82-year-old Ambassador Bridge, is waging a multimillion-dollar campaign against the plan, saying the state has no business subsidizing a rival to its privately run enterprise.



Associated Press

The Michigan Legislature is debating building a competitor to the 82-year-old Ambassador Bridge to Canada.

(There are other crossings, but the Ambassador is the best option for most shippers.) Some conservative groups are urging Michigan's Republican-controlled Legislature to shelve the "government bridge."

A key test of the project's support could come this week, with a committee vote in the state's Senate.

Michigan's bridge battle mirrors a broader debate over increased public investment in roads, bridges and rail projects. President Barack Obama has made infrastructure spending a central piece of his latest jobs package. Congressional Republicans say the president wants to spend too much on projects that are of dubious value or that could be financed privately.

At the center of the debate is one of the world's busiest international crossings and a lucrative franchise for Manuel "Matty" Moroun, who acquired the Ambassador Bridge in 1979, beating out investor Warren Buffett.

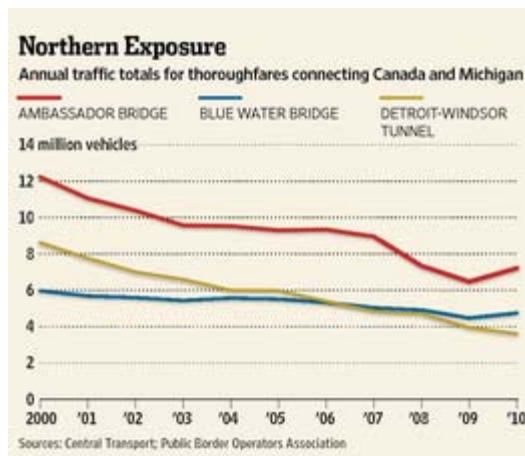
Mr. Moroun, who is tied at 293 on the Forbes list of the 400 richest Americans with fellow Michigander Daniel Gilbert, founder of Quicken Loans Inc. of Detroit, built his fortune in the trucking business. His company, Central Transport, is a major hauler of car parts and other goods across the border.

Annual revenue for the Ambassador Bridge totaled about \$60 million and traffic fell to 7.3 million cars and trucks in 2010 from a peak of 13 million vehicles in 1999, said Matthew Moroun, Manuel Moroun's son and the vice chairman of Detroit International Bridge. "If you build another bridge, that takes each bridge down to 3.5 million," he

said. At those levels, he said, the public bridge wouldn't be viable.

The Morouns are proposing a second span alongside the Ambassador, at a projected cost of \$400 million to \$500 million, a plan Canada opposes. The company says it intends to improve connections to freeways on the U.S. side.

Conservative groups, including the Michigan chapter of Americans for Prosperity, have gone to bat for Mr. Moroun, issuing mailings and funding radio ads criticizing the new bridge as a boondoggle that will burn taxpayer money if tolls fail to cover debt-service costs.



Anderson Economic Group, an East Lansing consultancy, concluded in a recent report that traffic across the new bridge might not be sufficient to cover its costs, especially if Detroit International Bridge cuts tolls to compete.

Auto companies say congestion at the Ambassador costs them millions of dollars in delayed shipments of parts and vehicles.

Proponents of the public bridge also say the Ambassador is too old to reliably accommodate current traffic and prepare for greater U.S.-Canadian trade as Canada expands its international ports. They say the ads are misleading because construction would be mostly financed with federal and private dollars, not state funds, while a private contractor would operate the bridge. Backers say the Morouns could bid to be the operator.

The Morouns say claims of shipping losses and customs delays are exaggerated, that trucks carrying auto parts usually clear customs in minutes and that hopes of expanded traffic from distant Canadian ports are in vain because those goods will move by rail. That no private investor has emerged to fund the new bridge shows that the project isn't viable without government subsidies, the company says.

Randy Richardville, the state Senate majority leader, rejects the idea that government shouldn't build bridges. "The state of Michigan and the U.S. government provide infrastructure," he said. "That's part of the purpose of government."

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