

The Detroit News

AUTOS

Downtown businesses expect boost from Detroit auto show's return



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The Detroit News

Published 5:43 p.m. ET Sept. 12, 2022

As the North American International Auto Show makes its return to Detroit this week for the first time in more than three years, hotels, restaurants and retailers in the city's central business district say they're ready and excited for what they hope will be an influx in traffic.

The auto show begins with media day on Wednesday and is open to the public Saturday through Sept. 25. Organizers say the event is expected to bring in 2,000 members of the media from 30 countries as well as auto industry professionals and hundreds of thousands of consumers.



“We’re super excited for this event to be taking place for a multitude of reasons and beyond just the economic impact of all the things that this show brings as far as putting people to work,” said Claude Molinari, president and CEO of the Detroit Metro Convention & Visitors Bureau. “There’s an incredible amount of labor that’s going to go into building out the displays and taking care of everything at the convention center, and the hotels and the restaurants that are going to support this event.”

Hotels and restaurants say they’ve been booking accommodations for the auto show for the past few weeks, if not months. The anticipation is high for some businesses as it’s the first auto show since January 2019, prior to the COVID-19 pandemic. And then there’s the show’s move from its longstanding winter presence to the end of summer. In the past, the auto show was estimated to generate roughly \$400 million in economic activity each year for Metro Detroit.

“We certainly felt the impact of having no auto show,” said Zaid Elia, owner of the restaurant Parc in Campus Martius. “I can tell you, besides the revenue moving in the wrong direction during that time, I think the overall excitement before, during and obviously after, not having that event was the biggest impact.”

Elia said reservations at Parc began to increase once news began circulating about the auto show.



“We have several major events for different auto companies, auto manufacturing companies,” he said. “The main night, we're completely sold out. More importantly, we see how the lunch traffic is. And we actually have a ton of reservations for lunch.”

Elia said visitor traffic appears to be coming from all around the country.

“We keep a record of where people are making reservations from through our different online portals,” he said. “And we are having a ton of reservations from people all around the country and some instances from around the world.”

Thad Szott, president of the Detroit Automobile Dealers Association, said the city’s walkability makes it easy for visitors to patronize businesses during the auto show.

“I see the entire downtown district from Huntington Place over to Detroit Athletic Club ... to Midtown and all those restaurants and businesses and hotels, for that matter — just rocking.”

Walter Gregorio, manager of Mootz Pizzeria + Bar on Library Street, is banking on some of that traffic. Gregorio said September is typically a slow time of year, and the auto show will help reverse that, along with a Detroit Lions home game Sunday and Disney on Ice Friday through Sunday at Little Caesars Arena. Mootz has hired four of six additional employees the business sought to handle the increase in customers.

“We're actually looking very forward to September being a good solid sales month for us,” he said. “That's a great time of year to bring in some extra business to carry us to the holidays.”

At Huntington Place, a mix of temporary food and beverage sites will be available during the event, said Karen Totaro, general manager of Huntington Place/ASM Global.

In addition to the new outdoor features at this year’s auto show, Huntington Place will host 700,000 square-feet of exhibits. Auto show teams have been at the venue preparing the show floor since Aug. 29, Totaro said.

“The Huntington Place team is over the moon excited as it feels like ‘We are back!’” she said. “People are so hungry for connection and being out in the world again and we look forward to providing that family friendly, safe environment for all to enjoy the new Detroit Auto Show.”

Molinari said that other events held at Huntington Place, such as Autorama in February and Automate in June, had higher attendance this year than before the pandemic. He expects the same for the auto show.

“I'm excited about the possibility that this could be a very heavily attended event,” he said.

Eric Larson, CEO of the Downtown Detroit Partnership, said downtown businesses are not only looking forward to the auto show, but the return of other large-scaled events.

“It's the return of the Grand Prix to the streets of downtown which will be very, very impactful to the small businesses and restaurants and hotels,” he said. “It's also in 2024 for the NFL Draft and those kinds of large events are not only happening with more frequency, but they obviously are creating a significant amount of both economic and social impact, which is great.”

Hotels saw the demand early on from the auto show's return.

At the 129-room Shinola Hotel on Woodward, several days were already sold out a week prior to the event, said Sergio Maclean, head of operations for the hotel.

“For the first week for the week of industry and press, we got strong demand months ago,” he said. “You know, those are individuals that know their businesses. They know they're coming and they prepare ahead of time.”

During the last auto show in 2019, Shinola Hotel had just opened and was not yet at full capacity.

This year, visitors tend to be more local and national than from overseas, Maclean said, including guests from Illinois, Ohio, Pennsylvania, New York state and Canada.

“Right now we see there is some international presence but minimal compared to what it used to be,” he said.

Brad Baldwin, director of hotel operations for Hollywood Casino at Greektown, said he’s also noticed less international travel for the event. Nonetheless, as of early September, reservations at the 400-room lodging were close to sold out some days or at about 80% other days, he said.

Some guests booked as early as the first quarter of the year, he said.

Retailers may also get a boost in business from the additional traffic downtown.

That's been Tony Stovall's experience. As owner of Hot Sam's, a men's fashion store on Monroe Street, Stovall said he always gets a good response from customers seeking clothing for the charity preview gala. There's also the last-minute stop for accessories, he said.

“There's always been some increase because we carry tuxedos, we carry formal wear, we carry bow ties,” he said. “A lot of folks come in for the gala. And get all dressed up and they come to the store and they get a bow tie or some of them end up getting their whole ensemble. Tuxedo, formal shirt, bow tie. They come to get something a little different.”

Downtown Detroit Partnership's Larson said the previous auto show held each January was impactful for businesses, but says there's a benefit to the season change.

"But what is really exciting about the move to September, is it allows people to really extend their stay and navigate through the city and really discover the city in ways that you just wouldn't in the middle of winter," he said.

Grace Keros, owner of American Coney Island on Lafayette, said she's taking a wait-and-see approach when it comes to the auto show and the impact the event's new timeframe will have on downtown.

"If I see this in fact them changing it made a difference, I'm interested," she said. "I look forward to it. Am I a little skeptical? Yes. Cause when it was in the dead heat of the winter, you know, it was something that businesses really liked. But who am I to say until I see it?"

Maclean at Shinola said he expects holding the event in September will be healthier for the area.

"We'll have more people walking," he said. "We'll have more people in the restaurants, at San Morello. We have Parker's Alley, so we expect a lot of people coming to Mister Dips having a nice hamburger or an ice cream. It's a very kind of, it's a great thing to host on an open city with great weather. So the impact to the city should be much, much, much stronger than in January."



Heirloom Hospitality says it has private corporate events and dining reservations booked most of the week for its restaurants Townhouse on Woodward and steakhouse Prime and Proper on Griswold.

“For the most part, a lot of event reservations have been booked for a couple of weeks now,” said Tiffany Best, director of events and marketing for Heirloom Hospitality. “Typically, the private dining room at Prime and Proper is always typically in high demand, but a lot of our guests were inquiring about two months ago to get their group set for dinner service.”

There’s a different company booked each evening, Best said. Guests will dine from a curated menu that include hors d'oeuvres, salad, entree, side course and dessert service.

“It's not the same groups that are booking,” she said. “So it kind of gives us a chance to really showcase the city of Detroit and what our restaurants offer to a wide variety of people.”

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