

BAD DAY

Garza injured as Brewers fall to Cardinals » Sports, B1

Check out the Hometown Pride feature in this Sunday's Herald Times Reporter



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A GANNETT COMPANY

Public loans struggled amid recession

By Eric Litke
Gannett Wisconsin Media Investigative Team

The Great Recession was a major blow to banks across the country, and public records show Wisconsin's local economic development groups felt the impact starting in 2009.

Data provided by more than 40 municipalities showed few economic development loan write-offs through 2008 — one from 2004 through 2006, six in 2007 and one in 2008, according to records from central and eastern Wisconsin economic development groups examined by the Gannett Wisconsin Media Investigative Team.

But the business loan write-offs jumped to 12 in 2009 as the recession took hold, and continued to average a dozen per year through the end of 2013.

They included a Green Bay start-up, Plastic Composites, that received a \$125,000 loan to convert milk jugs into plastic lumber. Officials say management and competition issues were exacerbated by the plunging demand for construction materials in the recession, and the remaining \$104,000 of the loan was written off by Brown County in 2011.

Chad Pelishek, Sheboygan's director of planning and development, said Sheboygan tried to limit the number of write-offs by working with businesses to refinance or push payments off to "make it through the tough times." Sheboygan has written off six loans totaling \$794,000 since the recession, second-most among the entities surveyed.

It's difficult to tie the failed loans directly to the recession, because loans can be officially written off years after payments stop in some cases. And other business conditions such as overseas competition can also cause loan recipients to default.

The groups surveyed combined to issue an average of 67 loans annually from 2004 to 2013, but only 47 were issued as in 2008 as the recession began, the lowest in the 10-year span. The number rebounded to 80 loans in 2009. There were 52 in 2013.

Some of those loans left Wisconsin taxpayers holding the bag, but others helped salvage key employers.

\$50M loan kept Mercury Marine in Fond du Lac

Among the nearly 1,000 economic development loans examined by Gannett Wisconsin Media, more than one-fourth of the money loaned in the last 10 years came in a single transaction from Fond du Lac County in the heart of the recession.

In 2009, boating manufacturer Mercury Marine had to shutter operations in either Fond du Lac or Stillwater, Okla., amid an industry downturn. About 75 percent of boating jobs were lost nationwide and the Fond du Lac workforce had shrunk from 3,000 to 1,500.

Revenue fell 50 percent from 2007 to 2009.

"We were losing a lot of money and we were facing some very tough decisions," said Stephen Cramer, Mercury Marine's

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WOMAN PROVIDES WWII KNOWLEDGE AS ROSIE THE RIVETER



The Manitowoc County Courthouse is one of many WWII-related stops along Kornely's tour. The Wisconsin Maritime Museum, Washington Park and the armory building are among the others. SUE PISCHKE/HTR MEDIA

Blast from the past

By Kelly Meyerhofer
HTR Media

MANITOWOC — Don't be alarmed if you see Rosie the Riveter walking through the streets of downtown Manitowoc.

It's just Christine Kornely giving a World War II tour in costume. She's been leading bus groups throughout the city for the past eight years and pointing out war-related landmarks.

"There's so much of World War II's history in this area, so I enjoy sharing it with people from out of town," Kornely said.

Most of Kornely's tours are arranged through the Manitowoc Visitor and Information Center, but she's developed a reputation over the years, leading some tour companies to call her directly.

Kornely leads each group, usually about 50 people, on the one-hour tour through the town as if it were set in the 1940s.

Some tour highlights:

» Both Burger Boat Company and Manitowoc Co. are pointed out for their involvement in building military ships and submarines. Gates and tight security

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HOMETOWN PRIDE



Christine Kornely

Denow comfortable as underdog in 6th district primary

By Nathaniel Shuda
Gannett Wisconsin Media

TOWN OF ALGOMA — Having neither political experience nor any statewide name recognition is a double-edged sword for 6th Congressional District candidate Tom Denow.

Facing one freshman and two veteran state legislators, the 57-year-old Winnebago County resident and former district service manager for Chrysler has largely

stayed below the political radar in the increasingly rough-and-tumble Republican primary race for the congressional seat held by retiring U.S. Rep. Tom Petri, R-Fond du Lac.

While it has not done him any favors in attracting widespread support, it certain has left him out of many of the political barbs the other three candidates are trading among themselves. In fact, at least two of the other candi-

dates don't even acknowledge his existence, and Denow says one conservative group even refused to let him participate in its primary debate.

Denow will face state Sens. Glenn Grothman of Campbellsport and Joe Leibham of Sheboygan, as well as state Rep. Duey Stroebel of Saukville in the Aug. 12 primary contest. The winner of that race will take on Democrat Mark Harris of Oshkosh, who

serves as the Winnebago County executive, and Douglas "Gus" Fahrenndorf of Neenah in the November general election.

"I'm doing it on my own terms," Denow said of his campaign, which largely is a one-man operation void of any high-profile endorsements or widespread support. "I'm coming out of nowhere without having the political background,

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Tom Denow CHARLIE MATHEWS/HTR MEDIA



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WEATHER

Today's forecast



HIGH 72
LOW 57

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