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Mercury Marine (aka Brunswick Corp.) stiffs shareholders, employees and -- new data reveal -- Wisconsin taxpayers

This summer, labor negotiations between Mercury Marine in Fond du Lac Wisconsin and unionized employees exploded when the company threatened to move the operation to Oklahoma if workers did not accept wage cuts. Under heavy pressure from local residents and state leaders, the union accepted the loss. In addition, Fond du Lac County gave Mercury a \$50 million loan and the city gave Mercury \$3 million covered by a newly imposed local sales tax. The Mercury deal was hailed as a win for Wisconsin. Or maybe not.

Dr. Jack Norman, Research Director at the Institute for Wisconsin's Future, will release a report on **"The Twisted Saga of Mercury Marine"** Tuesday, October 13 at 2:00 pm. The public presentation and press conference will be held at the East Side Library 1910 East North Avenue, Milwaukee.

There are new disclosures about Mercury Marine (aka Brunswick Corporation) and why the drama between the company and its unionized workers actually occurred. There is also previously undisclosed information on Mercury Marine's tax history in Wisconsin.

Mercury is actually wholly owned by the Brunswick Corporation headquartered in Lake Forest, Illinois. The Brunswick Corporation has been in financial meltdown since Dustan E. McCoy became Chairman and Chief Executive in 2005, deteriorating far more dramatically than similar companies during the same period. McCoy cut over 7,000 jobs since 2005 and closed factories across the country.

Some Wisconsin leaders took this opportunity to claim that Wisconsin taxes were the main reason Mercury Marine/Brunswick threatened to leave for Oklahoma. The report contains newly discovered facts about Brunswick's state tax history proving this to be far from the truth – very far from the truth.

Many people are paying for Brunswick's failure – taxpayers, shareholders, employees and communities. It has been a losing proposition for everyone – except CEO McCoy who collected over \$10 million between 2006 to 2008 and his five Board members who received an average of \$342,737 each during this same time period.

The Mercury Marine/Brunswick Corporation melodrama in Fond du Lac had nothing to do with Wisconsin wage levels, business climate or tax policy. It was just another example of corporate mismanagement causing implosions that leave citizens, workers, taxpayers and other business people to clean up the mess.

The Institute for Wisconsin's Future is a non-profit organization established in 1994 committed to research and community education around state economic issues.