

## PROMOTING ETHICS IN PUBLIC LIFE

# National Legal and Policy Center



### Another Taxpayer-Funded Solar Company Looks Like a Failure

Submitted by [Paul Chesser](#) on Thu, 04/05/2012 - 08:31

An Ohio-based solar company received millions of dollars in state and federal subsidies despite government officials' knowledge that the company was in financial trouble, and now a local newspaper reports little activity at the manufacturer's Perrysburg plant.

[Printer-friendly](#) [Email to friend](#)



According to a [report](#) last month in *The Toledo Blade*, [Willard & Kelsey Solar Group](#) was lent \$10 million by two state agencies even though the company showed little more than a half million dollars in revenue for 2009 – that being a grant from the Buckeye State – and a loss of \$4.2 million. State officials told the newspaper that loan was completed because it had already been promised.

“We are just executing that commitment at that point,” Daryl Hennessy, assistant chief of the business services division at the Department of Development, told *The Blade*. “While it looked like a lot of bad things happened in between, the commitment had already been made. We weren't giving them any more money at that point. We weren't adding on additional benefits at this point.”

Other records show that part of the money that flowed to Willard & Kelsey came from U.S. taxpayers, even though the company told the newspaper it received no federal funding. Reports posted at the [Recovery.gov](#) Web site, which discloses information about funds dispensed out of the 2009 [Recovery Act](#) (aka the “stimulus”), shows a [\\$6 million award](#) to the Ohio Department of Development for its “[Energizing Careers](#)” project. Of that, according to a [department press release](#) from January 2011, \$700,981 went to Willard & Kelsey “for worker training to manufacture highly efficient frameless Cadmium Telluride photovoltaic solar panels....”

The company did not show much of a track record that showed it was a worthy investment. The department press release noted the company began commercial operations in January 2011 “at a state-of-the-art 250,000-square-foot manufacturing facility.” In reality, it was more “art-of-the-state.”

“The company plans for a major expansion within the next six years,” the press release boasted, “building an additional 750,000-square-foot factory and employing 3,600 people.”

The program and grant were initiated under Ohio's previous governor, Democrat Ted Strickland (in photo). Current Gov. John Kasich, a Republican, defeated Strickland in 2010.

“These training dollars ensure our workers are highly skilled in manufacturing that supports the evolving technologies that help our economy flourish,” said Lisa Patt-McDaniel, director of the Ohio Department of Development in Strickland's administration. “By training employees in advanced energy manufacturing, these companies will see continued growth and success in our state.”

Besides the state backslapping, Vice President Joe Biden and Commerce Secretary Gary Locke joined Gov. Strickland on a tour of Willard & Kelsey in