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Factory plans appear based on little more than fantasies

By Ruffin Prevost - 03/05/2006

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Dan Madson proposed building a multimillion-dollar steel fabrication plant in Greybull financed through money from family-owned steel operations in Minnesota. No such operations exist, and the family has no means to finance such plant, said a family members.

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GREYBULL, Wyo. — The vision Dan Madson pitched to the people of Greybull seemed like an answer to their prayers.

He proposed building a steel processing plant, Kardan Steel, that would employ 250 people in high-paying positions with good benefits. It seemed like a perfect fit for an area sorely lacking such jobs.

The whole idea sounded almost too good to be true.

Turns out it was.

After seven months of touting his plan to privately finance and build a multimillion-dollar facility on the site of a former oil refinery, Madson has produced nothing.

His stories of a family fortune, a company jet at the ready and a network of family-owned steel factories appear to have no basis in reality.

A brother and another relative in his hometown say his stories are false, and that he has a history of fabricating stories to garner attention.

The growing inconsistencies in his statements, capped this week by an abrupt announcement that he is abandoning the project, have left many in Greybull feeling hurt, deceived and manipulated.

But most of all, it has left them asking why.

What motive would Madson have for spending months stoking the flames of hope in a small town desperate for jobs he couldn't deliver?

"I don't understand his motive," said Vince Madson, Dan Madson's older brother.

"You probably know more than what I know."

"Him and I got some hard feelings," he continued. "It's always about his lying."

Middle-class background Vince Madson lives in Albert Lea, Minn., where he and Dan grew up, along with a third brother, and where his parents and other family members still live.

In a telephone interview, Vince Madson said the family is solidly middle class, has never owned a plane and has no experience in the steel business outside working as factory laborers.

Debra Flatness, a detective with the Albert Lea Police Department and a relation by marriage to the Madson family, characterized Dan Madson's claims as a "sad hoax."

Like those in Greybull feeling the sting, members of his family said they, too, are hurt by the repercussions of his actions, and are anxious to know the reasons.

But directly asking Madson why only yields denials and new claims.

Dan Madson still sticks to his story, changing it one day to accommodate new revelations, only to change it again days later.

A new version The latest version of Madson's story, relayed Wednesday during an interview at a Greybull restaurant, is that he hopes to open a steel sales center, offering supplies to welders and machinists.

That's a far cry from the field of dreams Madson pitched around town starting last August, when he first floated the concept of locating his plant on the site of a former Amoco refinery.

A committee of local people was working with representatives from British Petroleum, successor company to Amoco, to clean up the site in preparation for a number of possible business ventures.

Madson said he would build a 20-acre factory that would soon produce 395 truckloads of finished goods each week.

The money would circulate through the Greybull economy, he said, and employees would earn a great living while working good jobs.

"Our theory is from how we've done things in Minnesota," he said last week. "Pay somebody a good wage and treat them right, and you'll have plenty of people willing

to work for you.”

Madson’s project quickly garnered local support.

“When you have what appears to be a viable proposal from someone who isn’t asking for money, it naturally becomes a focus,” said Barbara Anne Greene, economic development director for Big Horn County.

Greene, like many others who put in long hours working to assist Madson, said she is disappointed with the outcome.

“We take people at face value,” said Greene. “We’re still a part of the West where a guy can shake your hand and seal a deal. So rather than go forward with rumor and suspicion, we try to work with everyone. What else can we do?” Working on Madson’s schedule Joe Deschamp, environmental business manager for BP, has been working to clean the old refinery site in time for Madson’s proposed building schedule.

“We are in the middle of excavating soil in the area where the steel plant was proposed,” said Deschamp. “We’re trying to rush to get that done for him, and we’re trying to shoot for a March 15 date.”

Madson has repeatedly warned local officials that if the site wasn’t ready soon, the deal might fall through.

When asked to share blueprints, Madson promises to produce them at his office, a sparsely appointed storefront in downtown Greybull.

“They’re locked in this filing cabinet,” said Madson. “I don’t have the key.”

Also locked in filing cabinets, left in other briefcases or sitting at home are promised financial statements, references, business plans and a host of other documents that Madson says will back up his claims.

After a number of questions about his family business, Madson at one point offered a tour of the factories, complete with a ride on the company jet. A jet, it seems, no one

in Greybull has ever seen.

That offer was retracted three days later.

“Kardan is going to call it quits,” he announced.

Father not dead His plan to fly a group from Greybull to Hawaii for the NFL’s Pro Bowl fell through because Madson said his father had just died.

Madson’s father is still living in Albert Lea, said Debra Flatness, the Albert Lea police detective who contacted Greybull residents about Madson’s claims.

Flatness said in a telephone interview that she was speaking for the family and wanted to “give people a heads up” and “let people know there is definitely no family money behind Dan Madson.”

In an e-mail widely circulated among those involved in assisting with the Kardan Steel project, Flatness said Madson had a history of telling tall tales.

“Dan has fabricated stories since his high school days to garner attention and sympathy from others,” Flatness wrote. “But this is the first time that things have gone this far without the truth being found out.”

“His father is a retired truck driver, and his mother is a nurse,” Flatness said by phone. “It’s not true that he’s going to be getting a \$100 million inheritance, as he’s told some people. His family members would like to see him held accountable.” But so far, it would appear that Madson’s claims, though frustrating, are short of illegal.

“At this point, we’re not actively pursuing any investigation,” said Big Horn County Sheriff Dave Mattis. “We have not received any complaints of fraud or wrongdoing.

“I haven’t tried to bilk anyone,” Madson said in an interview in which he seemed at times contrite, regretful, defiant and detached. “I’ve never asked the town for a dime.”

But the damage to morale in Greybull is hardly something that can be measured in dollars and cents.

Dashed hopes

For a community struggling to build economic opportunities in a region short on capital and long on hope, news of Madson's apparent hoax landed hard, leaving civic boosters feeling foolish for buying into the hype.

"It's definitely a disappointment, because we were all very enthused about it," said Greybull Town Council member Homer Thompson.

"Every so often, in the normal course of business, or in a community hungry for economic development, you run into individuals who do not turn out to be of the form or substance that they represent to be," said Rich Petersen, president of Shoshone First Bank in Cody.

Part of what had so many in Greybull convinced of Madson's credibility was his ability to speak of the steel industry with detailed knowledge, and reply to any question with a swift and convincing answer.

"He talked a heck of a game," Petersen said. "But there appears to be no substance behind his representations. As far as we can tell, he broke no laws that we know of, but he sure dashed a lot of hopes when his exquisite fairy tales were exposed.

"Thankfully, the town of Greybull sustained no economic damages," said Petersen. "And they can now get on with looking for legitimate economic development." Greene said there are too many other plans in the works to worry about Kardan Steel.

"It would have been a much needed shot in the arm economically," she said. "But we do have some recent success stories out there, and we have some other ones coming up."

In the meantime, Madson continues to pitch his evolving story to anyone who will listen, an increasingly smaller group.

He said the comments from his family are false, but offered no reason why they would speak out against him. He promised a statement from an attorney on the matter.

But for many in Greybull, the time for such proof has come and gone, along with Madson's dreams of steel.

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