



FIGHT CORPORATE MONOPOLIES

**CORPORATE POWER
MAP**



WISCONSIN



As markets become increasingly consolidated, people lose choices about where they work and spend their money. Decades of lacking antitrust enforcement has left a few big corporate actors in charge of sector after sector of the economy -- giving these corporations massive political, economic, and societal power.

This document maps out the large corporations and consolidated industries in Wisconsin. It's a broad overview of the corporate actors that have amassed serious power, instances where taxpayer money has directly subsidized these giants, and some of the harms that these corporations have caused. Aside from being an educational resource, we hope these maps serve as a source for those fighting corporate power, whatever your role may be.

If you think we've missed something, please let us know at info@fightcorporatemonopolies.org

HOW TO USE THIS MAP AS A POLICY MAKER

Commit to work on behalf of your constituents and not corporations. The public overwhelmingly supports reining in large corporations. For an overview of popular anti-corporate and anti-corruption policy, please visit: www.fightcorporatepower.org. Many of the outlined policies would check corporate power at the state level.

Use local examples as talking points. Several of the corporations that are mapped out in this brief have harmed your constituents. Using local examples helps make anti-corporate policy real and tangible.

HOW TO USE THIS MAP AS AN ADVOCATE

See which elected officials the corporations in this report fund. To better understand how the corporations in this report may influence politics in your state, see which elected officials the corporations donate to. You can view campaign contributions to federal elected officials through the [FEC website](http://www.fec.gov) or [Open Secrets](http://www.opensecrets.org). For contributions to

statewide and local officials, check your elections commission or secretary of state's website.

Ask your electeds to rein in mentioned corporations. Call, write to, or meet with your elected officials to discuss how they're protecting workers, consumers, and small businesses. Oftentimes the corporations mentioned in the brief will spend money lobbying elected officials on behalf of legislation that benefits them. If this is happening where you live, demand that your electeds oppose the legislation.

Fight local subsidies to mentioned corporations. Oftentimes, local or state governments sign off on huge subsidies to massive corporations. You can read more about how to spot these deals and how to fight them in [this guide](#).

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Big Tech

Madison-based **Epic Systems** is the dominant firm in electronic medical records (EMR) software. Epic ranks first in each of several different EMR market-share statistics: [29 percent of all hospitals](#); [58 percent](#) of large hospitals; and [roughly 40 percent](#) by total beds.

Epic is a home-grown success story for the state. Epic and Judith Faulker are to Wisconsin as Microsoft and Bill Gates are to Washington. It was founded in a basement in Madison in 1979, spent two decades growing to \$50M in annual revenue, then grew to 10,000 employees and billion-dollar annual billings after the push for nationwide digital medical records.

Amazon

Amazon has [at least eight facilities](#) in Wisconsin, including three fulfillment centers, three Whole Foods stores, and two pickup locations. It claims to have created 13,000 jobs there as of December 2020. They are planning to build a \$200 million facility in Cottage Grove. Amazon is notorious for [tracking employees' every movement](#) and penalizing them for "time off-task," which deprives workers of dignified bathroom breaks and other rest time. Amazon warehouse logs show an [injury rate nearly double the industry average](#) and triple the average for private companies overall. Workers must also sign non-compete clauses that trap them in an abusive relationship with Amazon. In the past few years Amazon has been guilty of [union busting](#) and firing whistleblowers who pointed out [consumer data misuse](#).

Amazon has received [at least \\$32.8M](#) in state and local subsidies from Wisconsin since 2013.

A [study](#) by the Economic Policy Institute found that when an Amazon warehouse is built, the "county [hosting the facility] gains roughly 30 percent more warehousing and storage jobs but no new net jobs overall, as the jobs created in warehousing and storage are likely offset by job losses in other industries.

Google & Facebook

Wisconsin [lost 70 percent of its local journalism jobs](#) from 2005 to 2020 as **Google** and **Facebook**'s dominance in online advertising undermined traditional news organizations worldwide. The state [lost 28 percent of its newspapers](#) from 2004 to 2019, with 75 weeklies and 2 dailies closing for good. Four other small newspapers across the state closed down during the coronavirus pandemic. The recent GateHouse-Gannett merger will affect a dozen newspapers in the state: [Gannett owns 11](#), including the **Milwaukee Journal-Sentinel** and **Green Bay Press-Gazette**, while [GateHouse owns one](#).

Dozens of Wisconsin newspapers are [suing](#) Google and Facebook, arguing that their dominance over advertising threatens their existence and violated antitrust law.

Apple and FoxConn

Apple claims to have 410 direct employees and 69 supplier firms in Wisconsin. **FoxConn** is a major supplier of Apple parts and the most prominent recipient of a major public tax giveaway in recent history. Former Gov. Scott Walker offered the manufacturer billions in tax credits on the promise that new factories would generate thousands of high-quality jobs. Only a few jobs ever materialized, while costs to local communities for infrastructure skyrocketed, and the failed deal became symbolic of the pitfalls of such giveaways. Gov. Tony Evers renegotiated a smaller deal after defeating Walker.

Large local corporations supportive of Walker's deal sought to provide him political cover by launching the **Wisconn Valley Venture Fund** during the negotiations with FoxConn. The new venture capital fund promised to serve as an incubator for new job-creating tech businesses in the state. It never did. FoxConn put \$25 million of its own money into the fund, matched by another \$25 million from dominant insurer Northwest Mutual. Of the four companies currently receiving WVVf funding, three are based outside Wisconsin. The fund is run by Jason Franklin, a former partner at Andreessen-Horowitz and a UW-Madison graduate.

Hospitals & Health Care

There are [13 total insurers](#) on Wisconsin's Affordable Care Act exchange, but several counties and 20 percent of residents had [two or fewer choices](#). The [average price of the lowest-cost plans](#) is \$338 per month in 2021, higher than its neighboring states and the country as a whole. The highest-tier "Gold" plans average \$480 per month in Wisconsin, higher than its neighboring states but in line with the national average. Overall health care prices in Wisconsin rose by 16.9 percent from 2014 to 2018, [more than the national average](#) of 15 percent.

- [Wisconsinites insured through their employer pay 31 percent more](#) than the national average in out-of-pocket medical expenses overall, 7th-highest among the states.
- Including those not insured through work, Wisconsinites' overall OOP costs are 55 percent above the national average and 7th-highest among the states.
- Wisconsin [provides no protection against "surprise billing."](#) It is one of 17 states with no laws protecting patients. Surprise billing is [more common](#) in concentrated markets.
- One in nine Wisconsinites have [recently forgone medical care due to costs](#). One in four rates as "highly burdened" on overall medical costs.

Wisconsin's hospital system is highly concentrated. Just three firms control half of Wisconsin's total hospital capacity. Concentration in hospitals is tied to [higher prices for patients](#) and [worse quality of care](#) after hospital acquisitions.

More than 21 percent of all [hospital beds in Wisconsin](#) are controlled by **Aurora Health Care**, which became the 10th-largest U.S. hospital firm in a 2018 merger with **Advocate Health Care**. The merged firm [ended a tradition of paying modest annual bonuses to frontline employees](#) while giving executives a multi-million-dollar pay hike.

Advocate-Aurora later sought a merger with fellow midwestern hospital titan Beaumont Health, but called the deal off five months later. A further 18 percent of beds are controlled by the Catholic hospital firm **Ascension Health**. Ascension has a

[history](#) of [partnering](#) with private equity firms in expansion deals. **Froedtert Health** holds another 11 percent of the state's hospital beds.

The Health Care Cost Institute puts three Wisconsin hospital markets in the "highly concentrated" category: Appleton, (17th out of 112), Green Bay (40th), and Milwaukee (51st).

At least [one rural hospital in Wisconsin](#) has closed since 2005.

Retail Pharmacies & Pharmaceutical Benefit Managers (PBMs)

Corporate pharmacies control [64 percent](#) of Wisconsin's retail prescriptions market by sales volume.

- Three quarters of all retail pharmacies in Wisconsin are in chain drug stores, supermarkets, or big-box retailers.
- **CVS** and **Walgreens** alone run one-third of all retail pharmacies in the state.
- Roughly 89 percent of the state's community retail pharmacists work for corporate chains.

Wisconsinites face a corporate monopoly on pharmacy retail that endangers their health. Pharmacists at these corporate chains report being placed under tremendous time pressure that leads them to make errors in serving patients. Respondents to some surveys in other states describe store policies that lead to drug-dispensing errors that put patients at risk. At least one described a requirement to upsell patients on unnecessary medications and chain drugstore promotional programs. [\[NYT\]](#)

- These corporate pharmacy retailers built their monopoly [through years of unchecked mergers & acquisitions](#). CVS made at least four major retail-pharmacy acquisitions from 2004 to 2018, including numerous Schnucks locations in Wisconsin and hundreds of Eckerds, Albertsons, and Target pharmacies nationwide. Walgreens made several acquisitions, though none with a clear direct impact in Wisconsin.

Wisconsin [recently enacted substantial reforms targeting Pharmaceutical Benefit Management corporations \(PBMs\)](#), a sector dominated by three monopolies that are integrated into other insurance and retail-pharmacy monopolies. The new law requires PBMs -- all of which are headquartered out-of-state -- to buy a license from the state that allows local officials to audit the monopolies' records at will. The law bans "gag clauses" restricting pharmacies from telling patients about how PBMs affect prices at the register. The law requires PBMs to report annually their total reimbursements from drug-makers and the spread between the reimbursements it kept and those it passed on to pharmacies and the state's Medicaid system.

For 78 percent of its patients, Wisconsin's Medicaid system utilizes a managed-care agreement to administer benefits. [Pharmaceutical benefits are carved out of that agreement's rules](#). The state spends a gross of \$1.2 billion on Medicaid pharmaceuticals each year, \$813 million of which is reimbursed.

Broadband

While the industry argues nearly everyone has high-speed internet access, that claim is based on defining high-speed as 25Mbps -- far shy of the 100Mbps speeds actually required to reliably engage with the modern internet. Half the state has only one 100Mbps provider, 37 percent has two, and everywhere else has none. 100Mbps service is not available at all for 42 percent of rural Wisconsin residents.

According to a [new revised federal dataset on broadband access](#), roughly 400,000 Wisconsin households and 980,000 individuals -- roughly 17 percent of the state -- have no internet access at home. 551,000 residents live in counties with a median downspeed at or below 25 Mbps (the industry's definition of "high-speed broadband"). Only 21 counties have median downspeeds above 50 Mbps. Zero counties have a median downspeed of 100 Mbps (the advocacy community's definition of "high-speed broadband").

According to [research](#) by the Federal Reserve Bank of Richmond, slow broadband speeds in rural areas often slow job growth, reduce home values, and raise unemployment.

Manufacturing

Johnson Controls is the [third-largest HVAC company in the U.S.](#) with a market cap of \$31 billion. It has been based in Wisconsin since its founding in 1883 and now holds a wide range of subsidiaries across a variety of market sectors. Before it [spun off its auto parts business in 2018](#), it held a monopsony position in that industry. Johnson Controls [used an inversion merger](#) to shift its tax headquarters to Ireland in 2016, merging with leading security systems manufacturer **Tyco**.

- Johnson Controls has cut roughly [1,400 local Wisconsin jobs](#) pursuant to its Tyco merger, and moved hundreds more from Milwaukee to another site in Glendale, WI.
- Despite its 150 year history in Wisconsin, [Johnson Controls is now legally domiciled in Ireland](#). Each firm in fact operates its production and sales teams in the U.S., but the inversion has reportedly allowed them [to duck \\$150 million in U.S. tax per year](#).

Bombardier Recreational is the leading manufacturer of specialty recreational vehicles including Sea-Doo, Ski-Doo, and Lynx. It employs 10,000 at a Wisconsin manufacturing site.

Rockwell Automation holds a small share of the industrial automation manufacturing market, notable more as a cautionary tale about corporate consolidation writ large. It is one of the last remnants of Wisconsin-founded Rockwell International, which had reached No. 27 on the Fortune 500 by the 1980s. Following the death of its founder and resignation of his son, a new executive team began selling off Rockwell's many segments, most of which were absorbed into market-dominant multinationals. Rockwell Automation is one of just two remaining independent descendents of the former titan, and employs 3,500 people in Wisconsin.

Insurance

[Wisconsin's insurance marketplaces](#) are highly concentrated across all commonly-used products. In large-group health insurance, [51 percent](#) of the market is controlled by three health insurance providers -- **Anthem, Dean, and University Health Care/Gundersen Lutheran. Northwestern Mutual** holds 20 percent of the state's \$2.2B traditional life insurance market. **New York Life** controls 56 percent of the state's \$1.5B group life insurance market. Just four firms -- **Principal, Jackson National, Thrivent, and Lincoln National** -- control 30 percent of the state's \$6.5B annuities market. Farmers purchasing insurance face a market where one firm -- **Rural Mutual** -- controls 35 percent of the market, and two others -- **American Family Mutual** and **Secura** -- hold another 20 percent. A third of the homeowners' insurance market is controlled by **American Family Mutual** and **State Farm**. Three firms control roughly two-thirds of the market for malpractice insurance.

- **Northwestern Mutual** is headquartered in Milwaukee. It is the 97th largest Fortune 500 company. It is the state's 15th-largest employer with roughly 4,000 workers in-state. It has received \$100 million in state tax subsidies and spends between \$2.5 and \$5 million on federal lobbying each year.
 - Northwestern Mutual recently persuaded Wisconsin lawmakers [to shrink notification requirements for premium hikes](#) from 60 days to 45 days.
 - Northwestern Mutual is also a primary funder of the Wisconsin Valley Venture Fund (see above)

Food Industry & Industrial Agriculture

Tyson Foods, the largest of the meat industry monopolists nationwide, had two meatpacking facilities in Green Bay and New London as of 2017. It later acquired at least one other when it bought Pennsylvania-based Keystone Foods from fellow monopolist **Marfrig** in 2018, with the latter firm using revenue from that sale [to finance its rollup of National Beef](#). Tyson had previously shuttered a fourth Wisconsin site in Jefferson in 2016. Tyson Foods has had [47 acquisitions](#) since 1995 and has numerous factory worker complaints, including a points-based punishment system that pressures employees to work mandatory overtime.

Cargill, another of the Big Four meat monopolists, has at least five locations in Wisconsin. **Smithfield** maintains a packing plant in Cudahy. **JBS** has one plant in Green Bay and another in Arcadia.

Dairy production accounts for \$45.6 billion in Wisconsin economic activity per year according to state statistics, nearly half of the \$105 billion annual total for agricultural output in the state. Wisconsin has more dairy farms than any other state -- which means the rapid and ongoing [monopolization of milk production](#) has an outsized impact there. **Dairy Farmers of America** has rolled up dozens of other milk co-ops and is seeking to absorb **Dean Foods**, one of its only meaningful competitors, at bankruptcy. DFA controlled 28 percent of all milk produced in the U.S. as of 2017, with Dean owning another 12.5 percent of the market. DFA's stranglehold on milk processing allows it to dictate contractual terms to actual farmers in order to maximize its profits from sales to retailers. Both DFA and Dean Foods have been [sued for price-fixing multiple times](#) by both producers and retailers.

Retail

Wisconsin once had 52 **Sears** and **K-Mart** locations. After a private equity bust-out of the two retailers engineered by hedge fund owner Eddie Lampert drove the chains into bankruptcy, all but 10 of those 52 stores closed. Lampert and his investors made hundreds of millions off of the deal.

Dollar General, **Family Dollar**, and **Dollar Tree** operate hundreds of locations across Wisconsin, though an exact figure is hard to come by given disparities in sources. The Institute for Local Self-Reliance counted roughly [a bit less than 1 store for every 10,000 residents](#) as of 2017, and the brands have expanded dramatically nationwide since then. Dollar General operates 216 stores and a distribution center in Wisconsin. The Family Dollar and Dollar Tree websites list over 260 combined locations, though the real number is likely higher.

These corporations' expansion overlaps with a hollowing-out of local grocery stores [across rural America](#), including [dozens of small-town grocery closures in Wisconsin](#).

The typical dollar-store customer earns less than \$40,000 per year; Dollar General and Dollar Tree have a combined market cap of nearly \$50 billion. The business model of this industry sector causes both economic and social harm to the areas it targets.

- Dollar stores' charge far higher per-unit prices for staple goods than even high-end traditional retailers. Milk at a dollar store [can cost more per gallon](#) than at high-end luxury chains like Whole Foods.
- Dollar stores destroy locally-owned retailers then extract local wealth to faraway investors and executives. Because Dollar General is owned by the private equity firm KKR and has a lower-income customer base than even Walmart, its business model strips income out of Wisconsin and into high-net-worth investors' pockets. Similarly, most profits from Wisconsin's dollar stores are siphoned out of state to the large investors that are the primary shareholders of these corporations. Surrounding communities generally lose locally-owned businesses and the associated revenue and economic stability independent retailers provide. The average dollar-store retailer employs roughly half as many people as the average locally-owned grocery.
- Dollar-store corporations have also been criticized as [magnets for violent crime](#) in urban-area storefronts.

Banking

Consumer banking is highly concentrated in Wisconsin, with more than 40 percent of total deposits held at three firms: **U.S. Bank**, **BMO Harris**, and **Associated Bank** (based in Green Bay). Consumer choice in banking is even more limited in certain metro areas within the state. U.S. Bank alone holds 35 percent of deposits in Milwaukee, for example, with BMO Harris and **Chase** holding a further 27 percent combined.

Mining & Oil

Canadian pipeline firm **Enbridge Energy** is [seeking to build an oil pipeline](#) through an environmentally delicate corner of northern Wisconsin that abuts the land of the Bad River Band of the Lake Superior Chippewa. It is the second significant industrial

controversy in that part of the state, after mid-tier mining firm [Gogebic Taconite had sought to operate an open-pit mine](#) in the same watershed. Former Gov. Scott Walker greenlighted the project but public opposition eventually scuppered it in 2015. Rep. Tom Tiffany made the rejection of the pit mine a significant issue in his successful 2020 congressional bid.

Utilities

WEC Energy subsidiary We Energies is Wisconsin's dominant provider of electricity. WEC Energy was recently approved to begin working on a large solar panel and battery farm near Kenosha.

Alliant Energy appears to be its nearest significant rival. We Energies has [fought to bar municipalities](#) from contracting with independent solar providers. It also wielded its local market power to force the state-sponsored renewables organization to contract with it to build a large-scale solar project, in exchange for ending the utility's campaign to force surcharges onto home-solar customers to protect their own revenue stream. Shortly after the state agreed to the deal, We Energies unveiled plans to ramp up its own solar-electricity sales by buying roughly 100 megawatts of solar-generated electricity from a private Chicago-based firm.

Real Estate

Housing prices have increased in Wisconsin [by 45 percent](#) since 2020. Part of this price increase can be attributed to the role of private investors in the housing market, who in 2021 [bought 15 percent of Wisconsin homes sold](#).