

Investors count losses by the thousands

■ **No profit:** Money invested with Bill Fry has brought no return.

By **SCOTT WILLIAMS**

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ROCKFORD — A friend urged Don Riesenbergs to invest money with Bill Fry in the mid-1980s.

The Covington, Ky., insurance worker enjoyed playing the market. And the investment prospect, known as Cal Merc Enterprises Inc., sounded like a hot tip.

Riesenbergs died waiting for the tip to pay off. Cancer claimed his life in 1992. He was 59.

His widow, Francis Riesenbergs, says she never got anything in return from Cal Merc. She's not even sure how much money her husband lost. She preferred simply to pack up the files and forget the whole thing.

"I just figured it was all a hoax," she said. "I don't know what else it could've been."

Fry, 65, a businessman from Dunedin, Fla., has proposed a \$25 million hotel in Rockford across from the MetroCentre. But his track record as a developer includes numerous unfinished projects and angry investors across the country.

Here are some of their stories:

■ **Holy Cross Catholic**

Church, Covington, Ky.: The church inherited more than 500 shares of Cal Merc stock from parishioner Don Riesenbergs.

Holy Cross spokeswoman Peggy Woods said she believes it was only a small part of what Riesenbergs had invested with Fry.

Although grateful for the gift, the church has received no benefits from the stock. Its school needs a new roof. But when Woods approached Fry about three years ago, she said, all he would do was assure her a project in Albuquerque, N.M., was showing promise.

That was the last she heard.

"It's just gone on and on and on," she said. "I haven't heard doodly-squat from these people."

■ **Jim Schuyler, Kansas City, Mo.:** Schuyler, a retired businessman, encountered Fry in the early 1980s. Fry was seeking investors for Cal Merc Enterprises, which was active in the oil business.

Schuyler had an oil drilling rig, so he sold it to Fry for \$80,000 worth of Cal Merc stock. He never heard whether Cal Merc succeeded in the oil business. A few years later, he said, his stock was transferred to a real-estate interest — Seven Plus Developments Inc., another Fry company.

The 67-year-old retiree says he

Bill Fry's efforts to promote a hotel development in Rockford have spanned nearly two years.

July 1995: Fry begins discussions with Rockford business and government leaders.

Sept. 1995: MetroCentre manager Brad Walsh hears hotel idea in meeting with Fry.

March 1996: Proposed 250-room hotel unveiled before Mayor Charles Box and other civic leaders.

June 1996: MetroCentre balks at deal granting Fry guar-

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anteed access to convention space.

Sept. 1996: Sheraton representative joins Fry on trip to Rockford; deal with MetroCentre signed.

March 1997: With Fry continuing talks for real estate, MetroCentre extends deal through the year.

May 1997: Rockford Register Star chronicles numerous questions in Fry's background, including ongoing criminal investigation.

asked Fry for a refund, but was told the money was gone.

"I'd like to get it settled with him, but I don't think there's any way," Schuyler said. "I'm out about 80 grand."

■ **Debbie Stott, Clearwater, Fla.:** Stott began as an employee at Seven Plus Developments. She later invested several thousand dollars — she won't say how much — and became a stockholder.

Stott, 45, worked for Seven Plus only a few months in 1996. She says she was fired in an unrelated dispute. She said she demanded

her investment back after seeing signs that Seven Plus was not stable, including visits from Internal Revenue Service agents pursuing back taxes.

"Too many mysterious things were happening," she said.

Fry initially asked her to wait for her money back, Stott said. After she complained to the Florida Department of Law Enforcement, she got a full refund.

■ **Kent Cozzens, Ventura, Calif.:** A friend in the early 1990s introduced Cozzens to Fry as a real-estate developer with a

promising future.

Cozzens, 40, a salesman himself, invested \$2,000 with Fry and began receiving regular newsletters updating him on the status of Seven Plus Developments.

The updates stopped a couple of years ago, he said, and he never got a return on his investment. With only \$2,000 at stake, he doesn't plan to pursue it further.

"My assumption would be that I got burned," he said.

■ **Jack Helmick, Canton, Ohio:** Helmick invested \$10,000 with Cal Merc in 1979. He then paid an additional \$5,000 to transfer his holdings to Seven Plus.

The 59-year-old businessman credits Fry's salesmanship with attracting investors to his business ventures.

"He has a golden tongue," Helmick said.

He said he never saw any indication that Cal Merc was active in the oil business or that Seven Plus was developing real estate.

■ **Bruce Hayse, Jackson, Wyo.:** The promise of a real-estate project in Albuquerque, N.M., prompted Hayse to invest \$10,000 in Seven Plus about seven years ago.

Hayse, 48, a physician, said an acquaintance convinced him that Fry was about to launch a successful development and make all his

investors wealthy. When Hayse became skeptical, he says, Fry refused to return his money.

Other disgruntled investors approached Hayse, and he found that others had lost much more than \$10,000.

"I think a lot of people have gotten burned a lot worse than me," he said.

After Hayse complained to the Wyoming attorney general's office, Hayse said, Fry returned about half his investment.

■ **Stan Wilson, Camarillo, Calif.:** His father not only invested with Fry, but was soliciting investors for Fry. So Wilson thought it was a safe move in 1991 to spend \$10,000 on Seven Plus Developments.

Wilson, 35, who now runs his own marketing firm north of Los Angeles, got the money by cashing out a 401(k) retirement fund. Like others, he found Fry's sales pitch convincing.

"Bill said, 'Don't worry about it,'" he recalled. "He's very cordial. And very believable."

Wilson said he believes his \$10,000 is gone forever. He says his father lost 10 times that much.

"I've been in the business long enough to know when I've been had — and I've been had," he said. "I wouldn't trust Bill Fry with lunch money."