



**IOWA
ASSOCIATION
OF BUSINESS
AND INDUSTRY**

BUSINESS

NOV. 2024 MONTHLY

Ag Industries Bolster Iowa's Farm Economy



STORY ON PAGE 14

CALENDAR OF EVENTS

2024

NOVEMBER 20
Retirement Reception in Honor of Mike Ralston
DES MOINES

DECEMBER 5
Connecting Statewide Leaders
OTTUMWA

DECEMBER 10
Webinar: Pre-employment Testing Process Series (Session 3)
VIRTUAL

2025

JANUARY 10
Webinar: Advocacy 101 (Members Only)
VIRTUAL

JANUARY 15
Legislative Briefing and Reception
DES MOINES

MARCH 6
Connecting Statewide Leaders
CLINTON

MARCH 12
Business Day in Des Moines
DES MOINES

VISIT WWW.IOWAABI.ORG AND CLICK THE "EVENTS" TAB FOR DETAILS ON ALL UPCOMING EVENTS.

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Learn more about how ABI membership could benefit your company by visiting www.iowaabi.org/membership/why-abi.

FROM THE CHAIR:

ABI's Forward Focus: Celebrating Success, Welcoming New Leadership, and Planning for the Future

We enjoyed fantastic weather during last month's annual Iowa Manufacturing Conference and Legends in Manufacturing Awards. Both events were a great success, honoring an outstanding group of individuals and offering attendees valuable speakers and educational sessions.

Also in October, the ABI Foundation kicked off the first session of the year-long Leadership Iowa program with a new 40-member class in Algona. As the nation's oldest statewide leadership development program, Leadership Iowa now boasts over a thousand alumni who are actively working to make their companies – and their

communities – a better place.

I mention these events and programs not to dwell on the past, but to highlight that ABI is always forward-focused. Leadership Iowa is just one of many in-person and online initiatives happening now and throughout the year. The key takeaway is that ABI works year round to advance an agenda that brings value to your business. Our mission is centered on growing your business and strengthening Iowa communities. Thanks to your support and the leadership of the ABI Board of Directors, we are successfully carrying out that agenda.

As we look to the future, for the

first time in almost 20 years, ABI will soon have a new leader. After a diligent search, the ABI Board of Directors has selected longtime association Executive Vice President Nicole Crain to step into the role of president when Mike Ralston retires in December. We wish Mike all the best and are incredibly excited for Nicole's leadership. It's an exciting time at ABI, and there are big things on the horizon!

Finally, I can share that the 2025 Taking Care of Business Conference will be spectacular. Mark your calendars now for June 10-12 and join us in Council Bluffs. You will be glad you did! **ABI**



Chad Reece
ABI Chair
Winnebago Industries

CAPITOL BUSINESS:

Ag and Industry Working Together

Elsewhere in this publication you are reading about the agriculture industry and the suppliers and manufacturers that support them. It may be the manufacturers that build the machinery to help farmers get crops in the ground or businesses like bio-refineries and food processors that add value to our crops and livestock and get them to market. Each year, manufacturing and agriculture compete to determine which sector is the largest contributor to the state's gross domestic product. Both are essential, complementary parts of Iowa's past and are critical for the state's future.

For manufacturing, it may have started as simply as a self-cleaning plow blade manufactured to save time and effort during fieldwork. In current times Iowa boasts a robust manufacturing base that succeeds when it creates greater outcomes in the ag economy.

A former Governor of Iowa famously lamented the sight of barge after barge of Iowa corn and soybeans headed down the Mississippi River. The sight was understood as a lost opportunity to create wealth in Iowa by adding value to crops here instead of shipping that opportunity down river. Fast forward and with that insight and federal policies, Iowa is now a biorefinery and food production hub.

This symbiotic evolution took great ingenuity and insight by ag players and manufacturers – complemented with foresight from policymakers at both the state and federal levels. It also took great investment. Investment in land by farmers. Investment in land, buildings and infrastructure by manufacturers and processors.

All that investment in property reflects the wealth created by the value-added agriculture proposition.

When taxed, it also provides essential revenue for local governments. When taxes rise, there is a danger that the value-added proposition will falter or tax regimes in other places will be comparatively more attractive.

Members of the 91st General Assembly are now known as the results of the November election have been established. The majority party has pledged to reform property taxes in response to the wishes of voters. Here at ABI, we stand ready to assist in that effort and remind policymakers that the business share of local taxes is 55.9% property tax dollars collected statewide. Policymakers have an opportunity to unleash wealth creation during a careful review of property tax policy by ensuring the final product of reform treats these important sectors as essential to growth. **ABI**



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EVENT REWIND:

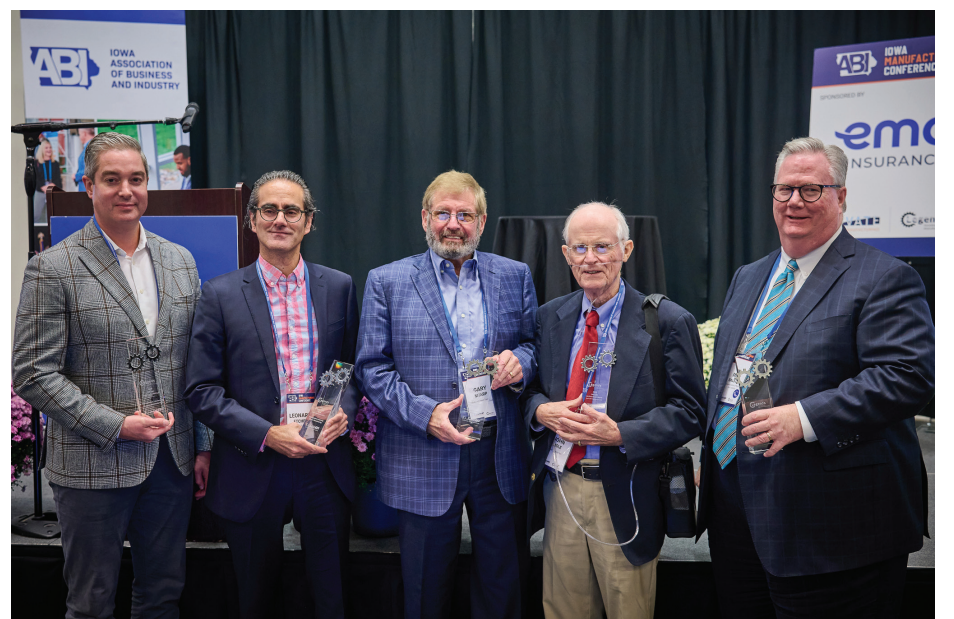
Iowa Manufacturing Conference and Legends in Manufacturing Awards

More than 300 business leaders attended this year's Iowa Manufacturing Conference, which sets an attendance record. The conference took place on October 2, at the FFA Enrichment

Center in Ankeny. Program highlights included keynote speaker, Jack Shaw, Technology Futurist, and a presentation from Kirk Tyler, Chairman of the Board, and Rob

Feeney, CEO and President, of Atlantic Coca-Cola Bottling Company. Attendees also had the opportunity to participate in deep-dive workshops specific to the manufacturing industry.

Manufacturers from across the state also gathered to celebrate icons in the industry at the Legends in Manufacturing Awards luncheon, organized by Elevate Iowa, a program of ABI. ABI



WHAT'S TRENDING:

AI – Learning How to be Aware, Not Scared

AI is used in our everyday lives in ways you might not have even known. Whether that is using Siri for Apple users, Alexa on Google home devices, or even on a deeper level of having software help compose an email draft, it is becoming unavoidable. You might ask, were those first two sentences written by me, or AI?

Asking questions is key to making sure that you have the tools to not be afraid of AI and advanced technology maneuvering its way into the workplace. Instead of shying away from it, learn the basics to know what the appropriate usage of tools are so you can prevent lawsuits from arising.

Ways that advanced technology is impacting our field:

A string of toxic pollutants that were used during manufacturing processes have now been identified as a link to major health concerns. Carriers are now having to safely monitor claims with these specific chemicals. With new and upcoming technology emerging in the field, there are new ways the water is being tested and chemicals are being iden-

tified to help lessen the weight the carriers are facing with the influx of claims.

Positive use cases are climbing with the increased training amongst teams across different organizations and even understanding the benefits AI and advanced technology has for their team. Smaller but effective use cases are implementing AI automations within project management workflows, manufacturing lines, automatic reminders to remind us of renewals, and even more.

Items to be aware of with advanced technology out in the field:

With the release of The Council of Insurance Agents and Brokers (CIAB) Q2 2024 report, cyber concerns will remain a concern to the field even as premiums noted to level.

With the CrowdStrike event impacting the lives of millions, there is bound to be hesitation in the benefits that technology can have when the impact can be so great. This is why education is so important.

Many organizations are now using

fingerprints and face scanners to obtain biometric data with the purpose of housing quick and unique identifiers for individuals. With the adoption of this technology becoming more frequent (although 16 years into the implementation of the Information Privacy Act), the number of claims associated with biometric data is on the rise. These lawsuits have caused carriers to now add BIPA exclusions to policies in hopes of avoiding the risk of potential claims. With this powerful technology, it is key to ensure there are safeguards intact to prevent the improper usage of and acquisition of this data.

There are always going to be helpful and harmful uses of technology, and this by no means is to say we need to be the expert of it, but understanding how we can use it for good, protect the data we obtain, and remain aware of the threats it can impose are critical to be an advocate for change and advocates for education in the workplace. AI is something that will continue to grow and impact our lives, so I urge you to get on top of the information we have so we are prepared for whatever the future has in store. **ABI**

**Jack Carra**

Executive Vice President

AssuredPartners

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FROM THE FOUNDATION:

Make a Difference This GivingTuesday!

GivingTuesday is more than just a day—it's a global movement that inspires generosity across communities and empowers individuals and organizations to create lasting change. This year's GivingTuesday falls on December 3, 2024, and it's the perfect time to give back right here in Iowa.



Kelsey O'Connor

Marketing and Communications Director
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Join us in shaping Iowa's future by supporting the ABI Foundation. Donations raised this GivingTuesday will directly impact two of our flagship programs—Business Horizons and Leadership Iowa University—by helping cover essential costs like transportation, accommodations, meals, and educational resources. These dynamic programs bring participants from across Iowa to discover diverse industries, gain hands-on experience, and explore career opportunities available right here in our state.

At their core, these programs aim to build Iowa's next generation of leaders. Your support helps empower young minds to become thoughtful, ethical,

and effective leaders ready to tackle tomorrow's challenges.

Thank you for being part of our vision for a vibrant, forward-thinking Iowa. Together, we can pave the way for a brighter future!

For more information on these programs or to learn how to get involved, visit www.IowaABIFoundation.org. ABI



About Business Horizons

Business Horizons is a five-day innovation experience for high school students (grades 9-12) from all backgrounds across Iowa. Through teamwork and real-world simulations, students connect their talents with future business and career opportunities.

Participants: Over 60 students from more than 35 high schools each year.



About Leadership Iowa University

Leadership Iowa University bridges the gap between college and career, providing college students with a powerful network and the tools they need for both personal and professional growth.

Participants: Over 25 students from more than 10 colleges and universities each year.



www.IADG.com

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Low Interest Revolving Loan Fund:

Finance energy efficiency and renewable energy projects through the **IADG Energy Bank**. With qualified energy improvement projects, facilities need no upfront or additional capital. Loan payments can be flexible and arranged to meet your energy savings.

Energy Bank Parameters:

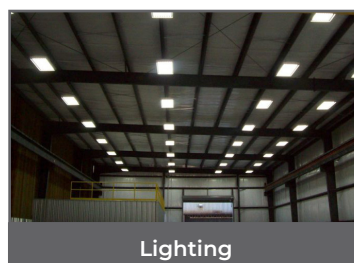
- Loans: \$50,000-\$300,000
- Rate: 1%
- Term: Up to 10 Years
- Origination Fee: 1%

Services Provided:

- Easy Application and Approval Process
- Independent and Unbiased Project Review
- Customized Financing Solutions
- Project Implementation Assistance
- Ongoing Project Monitoring and Support

Eligible Borrowers:

The IADG Energy Bank is focused on making loans to businesses and industries for energy efficiency improvements and renewable energy projects. Preference will be given to manufacturers.



MORE DETAILS:

For a program overview, related requirements, and ensure availability of funds visit:

IADG.com/EnergyBank

Contact:
Bruce Nuzum
800-888-4743



COVER STORY FROM PAGE 9

Ag Industries Bolster Iowa's Farm Economy

BY EMERY STYRON
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Golden streams of grain pouring from combines and augers into wagons, trucks, bins and elevators are familiar sights all across Iowa each fall. Less visible but no less important is the manufacturing backbone behind the state's vaunted corn and soybean production.

In a month when we give thanks for a bountiful harvest, ABI looks at three Iowa manufacturers providing inputs and equipment needed to grow and store crops, supporting farmers across the nation and the world beyond.

Helena Industries, Des Moines

"We make chemicals for most of the large agriculture companies that most people are familiar with," says Shawn Torrez, manager of the Helena Industries plant at the east edge of Des Moines. "That's the nature of a toll company. We make some kind of herbicide using their chemistry and recipe. Usually, we put it in their container and put their label on it.

Helena's workforce is diverse, reflecting the demographics of the Des Moines metro, says Mr. Torrez. "People come here from different parts of the world and they look for stable places to work." Those employees, he believes, are "some of the best in the world" with a strong work ethic and good character. "They expect to get as well as they give."

Many of the plant's 175 employees are also farmers, with planting and harvesting schedules that mesh well with Helena's production cycle. Helena's employee benefit package is another attraction.

"We are acutely aware of when planting and harvest season is," says Mr. Torrez. "We are busy in the winter ahead of growing season, working to supply our customers so they can supply farmers before they plant. Our busy season starts to taper off when we see corn and soybeans come out of the ground."

The plant sits on 96 acres near the city's border with Pleasant Hill and includes some 90% of its production is herbicides for corn and soybeans. Helena also produces adjuvant chemicals that support pesticides.

The basic process is mixing chemicals in large stainless-steel tanks. "It's like making brownies except we're making chemicals," says Mr. Torrez. "Our expertise is in blending. We're proud of our knowledge."

A laboratory on site supports the manufacturing process. The plant runs seven to eight major packaging lines, taking the blended chemicals and pumping them into a filler outputting to jugs and totes.

"You see lots of people in uniform. We want to be protected ourselves," says Mr. Torrez. Safety is one of RAPIDS values promoted by the parent company. The others are Responsive, Attitude, Proactive, Integrity and Dependability. "We think we share the values of Midwest farmers," Mr. Torrez says.

Ranco Fertiliservice, Sioux Rapids

Ranco Fertiliservice is another Iowa manufacturer on the input side, fabricating continuous dry-blend fertilizer equipment for national and international markets from its single location in Sioux Rapids.

It's been a challenging year for Ranco, after late June floods devastated its sheet steel shop and warehouses in the Buena Vista County community of 600 this spring. President and COO Nate Wimmack says his team came together the third day after the flood to clean up and make the important determination "to do whatever we can to improve going forward instead of putting our heads down and letting it be the downfall of us."

A major decision is already paying dividends. Ranco purchased a laser steel cutting system to replace the plasma system ruined by the flood. "The benefits of laser are tremendous in the quality of cuts, efficiency and accuracy," says Mr. Wimmack.

An example of efficiency gains is the laser system's ability to etch numbers on parts as it cuts them, saving Ranco's crew time labeling cut pieces with Magic Markers.

Significant help from the state is speeding flood recovery. "We were fortunate to work with the Iowa Economic Development Authority to find a program we could qualify for," says Mr. Wimmack. A \$500,000 High Quality Jobs grant helped maintain the workforce and upskill Ranco's team. The company is applying for an additional state advanced manufacturing grant.

Ranco's core products are fertilizer blending and handling equipment. Systems and parts are engineered, fabricated and shipped to at least 40 U.S. states, and to Canada and Australia. Parts orders also come from Europe and Africa, though the market for new systems there is no longer active. Among U.S. states, Iowa provides the most volume, "if for no other reason than that we're local," says Mr. Wimmack.

The customer base is mainly ag retailers, including co-ops and companies like Nutrien, Helena and Greenpoint — "any place with a facility that blends or dispatches dry fertilizer." Another segment is wholesale dry fertilizer vendors, which may also sell at retail. These are often river terminals.

Ranco employs about 85 people, mainly in Sioux Rapids, though a few engineers work remotely. "We bring in flat sheet and dimensional steel, do laser cutting, forming and rolling to build equipment from the ground up," Mr. Wimmack says. Specialized components such as electric motors are purchased from other sources.

"We build a system with multiple hoppers that are typically positioned on the ground inside their facility," he explains. "Our approach is different than mixing in batches. We blend continuously."

A big advantage of Ranco's system is mixing speed, says Mr. Wimmack. "We

"Most products end up on a farm that's grain related. Iowa is the home of grain. It's the perfect location to be close to dealers and eventual end users."

- Nicholas Kiederlen, Plant Manager at LeMar Industries



were for the longest time the only ones in game that offered a continuous solution."

Demand for Ranco's systems is tied to the ag economy, but protected from short-term ups and downs by the nature of its clientele.

"What we have found, because our customers are those ag retailers, there is a bit more of a lag, as it relates to our demand," says Mr. Wimmack. "If there are three or more years of consistent poor years for growers, that ultimately affects decisions of ag retailers."

Business slowed down in the late-20-teens compared to the middle of that decade, but "things have picked up quite a bit" since 2020, he says. Mr. Wimmack is bullish on his home state's ag outlook. "As a kid who grew up on a farm in Iowa, I think our productivity in corn and soybeans is second to none. I don't expect that to change."

LeMar Industries, Des Moines

"One of the nice things about being within the storage side is that people always need to store grain. There's no way to get away from that regardless of the ups and downs of the economy," says LeMar Industries Plant Manager Nicholas Kiederlen.

Founded by Bob and Sharron Martin in 1982, LeMar is a manufacturer specializing in grain handling, structures, and temporary storage solutions. The company became a division of CTB Midwest, a Berkshire Hathaway subsidiary that owns Brock Grain Systems in 2012.

"At our core, we're a fabrication shop. Our focus is truly manufacturing," says Mr. Kiederlen.

LeMar's Des Moines plant makes structural components for grain systems, including stairs, towers and catwalks. "We provide support for everything on a grain site."

LeMar operates from a northeast Des Moines plant with nearly 100,000 square feet of manufacturing space. "We engineer, design and produce to fit specific client needs," says Mr. Kiederlen. "We bring in raw steel, i-beams and square tubing, fabricate it in our shop and send out to be installed."

Headcount fluctuates with the season, peaking at around 95, including engineering, sales, support and production.

"One of things I appreciate about our business model, we have dealers and partners throughout the Midwest that are millwrights and construction crews," says Mr. Kiederlen. "We depend on them to install our product and service it in the future."

Iowa's central, Midwest location is ideal, Mr. Kiederlen says. "Most products end up on a farm that's grain related. Iowa is the home of grain. It's the perfect location to be close to dealers and eventual end users" such as co-ops, larger farms and commercial grade sites like ADM facilities.

Most of LeMar's business is in the Midwest with Iowa accounting for 30-40% of annual sales, but "historically, a pretty decent volume we'll send to eastern Europe," Mr. Kiederlen says.

He's optimistic about prospects for LeMar's sector of the ag industry. "The fields aren't going anywhere. I think it's going to continue to be steady going in to 2025. We see farmers continue to invest in grain storage as tech continues to get better, creating a longer life for the grain that's being stored."

One concern that clouds Mr. Kiederlen's sunny outlook: "Family farms are starting to disappear. There doesn't seem to be a lot of interest in people going into farming, their sons or daughters taking over. In 20 years, I think the farming landscape will be very different from today." He's pleased to see that most Iowa farms don't go to international entities but are sold to "neighbors and family members."

Another bright spot for Mr. Kiederlen is the recent push in Iowa to get more people interested in manufacturing. "When I was a kid, manufacturing was seen as dirty, gross, no money in it. When I really got into it, I learned manufacturing is fun."

He spends a good bit of time working with schools and community colleges is to carry that message to students. "I just think it's fantastic, the amount of creativity, ingenuity, finding new ways to make steel fit together. There's so many things we can do with robotics, automation, how we move materials," says Mr. Kiederlen. "We are a manufacturer supporting the ag industry. There's nothing better." ABI

Q&A: Managing Carbon for the Ethanol Industry to Protect Iowa's Agricultural Economy

Catching up with Summit Carbon Solutions outside counsel Bret Dublinske from Fredrikson & Byron, and Lee Blank, CEO of ABI Member Summit Carbon Solutions.

For those who are unfamiliar, what is Summit Carbon Solutions?

Summit Carbon Solutions ("Summit"), based in Ames, Iowa, is the world's largest carbon capture and sequestration project. Summit is partnering with 57 ethanol plants to capture carbon dioxide emissions that would otherwise be released into the atmosphere, and then transport that CO₂ up to North Dakota where there are geologic formations that are appropriate for permanent underground storage.

What is the purpose of capturing and permanently storing CO₂ and what are the benefits?

Summit was founded by a company rooted in agriculture, with a purpose of promoting Iowa's agricultural economy and markets by enabling corn growers and ethanol producers to adapt to the evolving global lower-carbon economy. Many Iowans are unaware that more than half of all corn grown in Iowa goes to ethanol production. As more states and countries adopt low-carbon fuel standards, and as airlines look for sustainable aviation fuel, having access to those markets and the premiums they pay is critical to the ongoing success of Iowa's ethanol producers, the growers they buy corn from, and the land values supported by those corn crops.

Iowa-produced ethanol needs to lower its carbon intensity (CI) score to stay competitive in a world that values lower-carbon fuels. For about three-quarters of Iowa's ethanol plants that are working with Summit, capturing and permanently storing their CO₂ will cut their CI score by around 30 points, which is about half. While there are investments these ethanol plants can make to decrease their score by single digits, no other single action can as dramatically lower the CI score for Iowa ethanol plants. This reduction not only qualifies them for federal tax credits but also brings more money into local communities.

While protecting Iowa's agricultural economy is the main purpose and ben-

efit, there are others as well. The project can manage approximately 18 million metric tons of CO₂ per year. Additionally, the project will result in thousands of construction jobs and decades of new tax revenues for Iowa counties where the project is located. Some counties will receive up to \$2.9M annually once the project is operational.

What is the status of the Summit project?

A project like this is heavily regulated and requires numerous permits – the Summit project has provided the lawyers and staff at Fredrikson & Byron with a lot of interesting work. The primary permits to go into operation are the mainline pipeline permits from the Iowa Utilities Commission, South Dakota Public Service Commission and North Dakota Public Service Commission, as well as the storage facility permits from the North Dakota Industrial Commission.

Summit has obtained its pipeline permit in Iowa. Hearings are completed for both required permits in North Dakota and we are optimistic regarding decisions there yet this fall. In South Dakota, a different carbon capture project was denied before Summit had its evidentiary hearing. Because of the similarities, the South Dakota Public Utilities Commission summarily denied Summit's application but made clear that Summit could refile addressing some of the concerns raised about the other project. Summit plans to refile in South Dakota later this year, triggering a 12-month timeline for the Public Utilities Commission to issue a permit decision, as required by state law.

As is common with large infrastructure projects, there will surely be litigation around those state decisions. In Iowa, it is already underway, but Summit anticipated that and believes the Iowa Utilities Commission decision – 507 pages long – is thorough and well-supported. Ultimately, we continue to believe the project will be in service around the end of 2026.

What are some of the key legal issues involved?

One of the key legal issues is access to condemnation. Summit understands having that access will always be controversial, so Summit continues to put in a great deal of effort and resources to obtain voluntary agreements with



Lee Blank

CEO
Summit Carbon Solutions



Bret Dublinske

Attorney & Shareholder
Fredrikson & Byron

landowners. Summit has negotiated voluntary easements for 75% of its initial project route, which is right in line with prior infrastructure projects of significant size in Iowa, and in many key counties the percentage is higher than that. As the United States Supreme Court observed as recently as 2021, the nature of linear infrastructure is such that a permit without a right of eminent domain is often illusory. Since the impacts of the corn economy are sufficiently broad statewide, it is important that a minority of objectors cannot exercise a veto on a widely beneficial project. Still, Summit will continue to negotiate with landowners, seeking voluntary easements as long as legally possible. Summit's preference remains 100% voluntary easements.

Another important related issue is the ability to access properties to conduct surveys. Surveys are an important part of building infrastructure – civil surveys for boundaries, geologic surveys for constructability, cultural surveys to ensure there are no historic or archaeological artifacts that would be disturbed, and topsoil surveys to ensure Summit knows the depth of the topsoil so it can be appropriately segregated and protected. There is an appeal pending of a case Summit won at the trial court to obtain survey access over a landowner's refusal. Iowa has statutes passed by the legislature that allow infrastructure companies to access properties for survey by giving specified notice. This is an issue that is much bigger than just the Summit project – it would impact the way cities and counties build roads, dams and lakes, and other facilities. It would also impact electric companies, natural gas and other pipelines, airports and additional forms of important infrastructure. We anticipate a ruling for that case in the spring of 2025.

What kind of support has Summit seen, and what type of working relationships has Summit built with the Iowa industry?

Summit is encouraged by the strong support the project has received. The fact that 75% of landowners along the route have voluntarily agreed to easements is a clear testament to that support. Additionally, three-quarters of Iowa's ethanol plants have joined the project, further underscoring its importance to the industry. Summit has also had productive early conversations with numerous Iowa businesses eager to provide goods and services, as well as with local, regional, and state economic development officials.

Organizations like the Iowa Renewable Fuels Association have been strong advocates, recognizing the significant benefits the project offers to their members and the broader community. There is great enthusiasm from farmers and companies connected to corn production. On the labor front, positive discussions about creating jobs to build the most advanced and safest pipeline in the country, with a focus on hiring local Iowa workers, continue to take place.

When Summit engages with stakeholders to discuss the project, answer questions, and listen to concerns, those conversations are often met with common ground and enthusiasm for what the project can achieve. Summit values these conversations and believes they are essential to building trust and understanding. Fredrikson & Byron is proud to bring its experience with large-scale infrastructure and collaborative projects to help ensure Summit's success, as we work together with communities and partners to realize the benefits for Iowa farmers, ethanol producers, and local workers. ABI

EXPERT ADVICE:

ESOP Feasibility Studies and Why They're Important

If you are a business owner contemplating business succession planning, you've likely heard about Employee Stock Ownership Plans (ESOPs) and the benefits they can provide your company and employees. However, you may not know that an ESOP feasibility study is a crucial first step for any company ready to transition or wanting to learn more about an ESOP.

What is an ESOP feasibility study?

When a company is looking to transition to an ESOP, the first step is to conduct a feasibility study. Typically conducted by qualified consultants, the feasibility study will gauge whether an ESOP is a viable option for the company, but also if an ESOP will fit the financial goals and objectives of the company, along with its board, management and shareholders. This feasibility study phase typically lasts around 45-60 days. Some states, including Iowa, even have programs to help businesses pay for ESOP feasibility studies. Check with your state's economic development department to see if a program exists.

What items are reviewed in an ESOP feasibility study?

During the feasibility study, many financials and various data points will be reviewed by the consultants. Common aspects reviewed during a feasibility study include:

- **Company Value:** What is the anticipated value of the company for the ESOP

transaction?

- **Transaction Structure:** How will shares be purchased from shareholders?
- **Financing and Funding:** How will the company acquire company stock from shareholders?
- **Cash Flow Analysis:** How will the transaction impact the company's ongoing cash flow?
- **Employee Benefit Levels:** What are the employee benefit levels need to support the ESOP?



Kelly Robus

VP, Managing Director –
Specialty/ESOP Finance
KRobus@bankertrust.com

The feasibility study typically also includes management interviews and financial models and projections. For example, your consultants may project the differences between having your company organized as either an S-corp or a C-corp (both can be done with ESOPs).

Why is an ESOP feasibility study important?

By investing in a feasibility study at the start of your ESOP transition, you'll have the information necessary to make an informed decision for the future of your company and employees. The feasibility study will serve as a blueprint for a future ESOP transaction and identify how that transaction could impact your company's cash flow and financial position, helping to prepare you for a smoother ESOP transition.

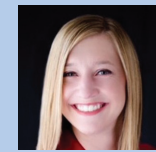
If you are considering transitioning your company into an ESOP, reach out to me to learn more. **ABI**



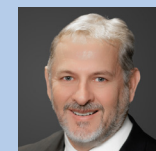
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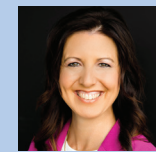
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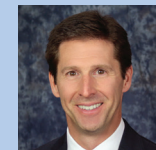
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The Iowa Association of Business and Industry (ABI) has been the voice of Iowa business since 1903. Its mission is to provide a strong, unified voice to business and industry on issues affecting Iowa employers. ABI is comprised of member companies representing all industries and sizes in Iowa's 99 counties. ABI members employ more than 330,000 Iowans.

Iowa Association of Business and Industry
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