

## Nationwide Supersizes Iowa Operations



Nationwide executives recently joined Iowa Governor Chester J. Culver in a ground breaking for the company's \$142-million, 350,000-square-foot downtown Des Moines facility. In just five years, the insurer has invested more than \$279 million in its sprawling campus.

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### **INSIDE: Iowa knows insurance**

- **AEGON continues 50-year history of Iowa growth**
- **The Principal to add 1,500 to its Iowa workforce**
- **Aviva's \$150-million U.S. headquarters to be built in Iowa**
- **Wellmark finds Iowa a healthy location**



## Major insurance expansions in progress

	NEW INVESTMENT	JOBS
Nationwide/Allied Insurance, Des Moines	\$279 million	1,570
The Principal Financial Group, Des Moines	\$100 million	1,500
Wellmark, Inc., Des Moines	\$195 million	63
Aviva USA, West Des Moines	\$150 million	550
AEGON USA, Cedar Rapids	\$27 million	400
<b>TOTAL New Investments &amp; Jobs</b>	<b>\$751 million</b>	<b>4,083</b>

Other insurance companies expanding and adding jobs in Iowa include Cottingham & Butler Inc., Kunkel, Bounds & Associates, and Sedgwick Claims Management Services in Dubuque and CUNA Mutual Group in Waverly.

## Michael Gould heads up insurance development



**Michael  
Gould**

**P**roject manager Michael Gould is taking over insurance project management for the Iowa Department of Economic Development, according to Business Development Administrator Jeff Rossate.

“Insurance development continues as a targeted sector of Iowa’s economic development activities because the industry is vitally important to Iowa and extremely successful here,” said Rossate.

“Historically, Allen Williams has focused on this industry, but his skills are needed to expand the exposure of Iowa in different

industries and in the Asian market,” said Rossate. This change will further expand the knowledge base of our team for insurance based projects and allow for timely response to market demands.

“Michael Gould will be calling on U.S. insurance executives,” says Rossate. “He will be highly visible at national insurance gatherings seeking new investments for the state of Iowa.”

For more information on expanding in Iowa, contact Michael Gould at 515-242-4725 or visit: [www.iowalifechanging.com/business/](http://www.iowalifechanging.com/business/).

## AEGON USA has 50-year History of Growth in Iowa

Netherlands-based AEGON NV's Cedar Rapids location added 400 employees during 2007

In the eastern Iowa community of Cedar Rapids, the past decade has seen the insurance and financial services group the AEGON companies more than double its workforce. During the same time period, AEGON NV's U.S. operations have grown to become the nation's seventh-largest insurance group, based on admitted assets.

AEGON's Cedar Rapids roots trace back to 1979 when AEGON NV began its acquisition of a majority interest in the Iowa-born Life Investors Insurance Company of America. The AEGON companies currently employ 3,500 Iowans.

Much of the current growth is the result of some strategic acquisitions in the late 1990s. This strong business growth caused the AEGON companies to add more than 400 employees in Cedar Rapids during 2007, says Pat Baird, AEGON USA, Inc. president and CEO. "We have hired across the board in positions for accounting, actuarial, and IT technicians and supervisors," he says.

In 1997, AEGON bought the insurance operations of Provident Corp., a financial services firm based in Louisville, Ky. and 1999 saw the company acquire San Francisco-based Transamerica Corp. This flurry of activity has catapulted the AEGON companies to the top echelons of the insurance industry. The company is now one of the nation's leading direct marketers of life and supplemental health insurance products, and currently has more than 20 million policyholders and \$54 billion of insurance in force.



2007 Master's winner and Iowa native Zach Johnson is sponsored by AEGON USA.



This employment growth certainly attracted the attention of eastern Iowans. "We've found a large quantity of quality applicants for these job opportunities," says Baird. "In fact, we received more than 4,400 applications when we posted for the first 90 positions."

And why not? AEGON has provided a career path for those with the drive and talent to succeed. Don Shepard, a Cedar Rapids native is currently chairman of AEGON NV and is based in The Hague, Netherlands. Pat Baird, AEGON USA, Inc., president and CEO, has worked most of his career with the company.

It's been quite a ride for the company that began its existence as Life Investors in Cedar Rapids in 1960. That was when Dr. Ralph Moe founded Life Investors with a dream of building a company that was of, by and for Iowans. He started the company with fewer than 20 sales people and managed assets of just \$4.5 million, yet he was driven to grow a company that was the best in the industry.

Nearly 50 years later, the AEGON companies are fulfilling Dr. Moe's vision through superior customer service, a diverse portfolio of products and a history of financial strength. These assets have earned the company loyalty from its customers and consistent high marks from insurance rating services. Benefiting from Iowa's business-friendly environment and the talents of an Iowa workforce, one can only wonder what achievements will be in store for the AEGON companies in the next 50 years. ■



## Iowa's Edge assists the Principal Financial Group

**The Principal – one of America's favorite employers – will invest more than \$100 million and add 1,500 employees to its Iowa workforce**

**I**f one is judged by the company it keeps, Iowa is a great place for insurance and financial services companies. The Principal Financial Group, Aviva USA, AEGON, Wells Fargo, Nationwide, Prudential, ING, MetLife, Wellmark and many others are all making themselves right at home here. They're all part of a financial services and insurance industry that is projected to invest upwards of \$1 billion and create well over 4,000 jobs in the years ahead.

Iowa-born Principal Financial Group is the latest insurer adding to those impressive numbers with its announced expansion plans to invest more than \$100 million in Des Moines and increase employment by 1,500 people over the next five years. The 138-year-old company employs more than 9,500 Iowans.

"The graying of America and worldwide economic growth are driving our growth plans," says Larry Zimpleman, Principal's president. "Principal Global Investors is our fastest-growing unit and invests money for public and private pension funds, foundations and other institutional investors. And retirement services continues to perform strongly."

The company's investment opportunities for individuals include mutual funds, annuities, rollover IRAs, traditional and Roth IRAs, as well as retirement planning and investment tools and education for savers in all life stages. A member of the Fortune 500, the Principal Financial Group has \$306 billion in assets under management and serves some 18.3 million customers worldwide from offices in Asia, Australia, Europe, Latin America and the United States.

As part of the \$100-million expansion, The Principal is building a new child-care center and 1,800 vehicle parking ramp while also extensively remodeling its facilities. The project was awarded tax benefits from the Iowa Department of Economic Development's Enterprise Zone program.

"The need for an additional 1,500 employees over the next five years has spurred the structural, design and aesthetic changes to our seven-building campus in downtown Des Moines," says Rhonda Clark-Leyda, media relations officer at The Principal. "The creation of new workspaces will not only accommodate the new employees, but will also create a better overall working environment for our people." ■

**The Principal is known as one of America's favorite employers. In fact, the company's received the following honors in 2007:**

- **FORTUNE** magazine's "100 Best Companies to Work For" for the fifth consecutive year.
- "100 Best Companies for Working Mothers" by *Working Mother* magazine for the sixth time.
- One of the nation's "50 best companies for workers over 50" by AARP.
- "50 Best Companies for Latinas to Work in the United States" by *LATINA STYLE* magazine for the 10th consecutive year.

**For more than 138 years, individuals and companies have relied on "The Principal Edge" to achieve long term financial goals.**

**And during that time The Principal has found that Iowa delivers the economic, infrastructure and workforce edge to compete in today's global business environment.**



# Aviva — World's Fifth-largest Insurance Group — to build U.S. Headquarters in Iowa

## The company selects West Des Moines for its \$150-million headquarters expansion

Forward thinking. Aviva plc, the London-based insurer whose corporate lineage dates back to 1696, believes forward thinking is at the heart of everything it does, from its business model to how it treats its customers, staff and the communities it works in. With its 2006 purchase of Iowa-based AmerUs Group Co., the company is the fifth-largest insurance group in the world and is becoming one of the U.S.'s fastest-growing life insurers.

Moving forward with the company's aggressive U.S. growth strategies, Aviva USA announced plans to build its new national headquarters in West Des Moines. The project will result in an investment of up to \$150 million and nearly 550 new jobs.

"Our expected investment of \$135 to \$150 million demonstrates our commitment to the Greater Des Moines area as the hub of our growing U.S. operations," says Thomas C. Godlasky, CEO of Aviva North America. "In the past seven months we have added approximately 200 jobs and we expect to add at least 400 more high-quality jobs here in the Des Moines area over the next three years."

Godlasky said the company looked at more than 25 sites in the Des Moines area and in other states for the 350,000-square-foot facility which will be completed in early 2010.

"We believe the site in West Des Moines best accommodates our business needs, provides flexibility to support our long-term growth

plans, allows for increased operational efficiencies, and is the most cost-effective solution," Godlasky says of the 71-acre parcel in the fast-growing suburb. "We expect our decision to build an Iowa facility will generate substantial economic benefits for the area through employee wages and salaries, tax revenues, new facility construction costs, and future investments."

With \$38.4 billion in assets under management, Aviva USA is ranked number one in sales of indexed life insurance and number two in sales of indexed annuities. "Aviva grew its existing U.S. presence by acquiring AmerUs Group, the national leader in indexed annuities and indexed life insurance," explains Godlasky. "Our employees are committed to helping customers meet their long-term savings, insurance and retirement income needs."

Aviva's expansion was awarded \$632,000 from the Community Economic Betterment Account (CEBA), \$1 million from the Physical Infrastructure Assistance program (PIAP), and a series of tax credits from the High Quality Job Creation (HQJC) program, all administered by Iowa Department of Economic Development.

When Aviva plc acquired AmerUs, it created a company with a combined 400-year history in helping customers make the most of their lives. When Aviva USA needed a headquarters to make the most of its business opportunities, forward thinking led them to the heart of America and Iowa. Forward thinking indeed. ■



**"We welcome Aviva's announcement that it will build its U.S. operations headquarters in central Iowa. This is very good news and is a testament to our state's top notch workforce, favorable business climate and quality of life. Iowa's insurance industry continues to grow, creating high quality career opportunities for Iowa workers."**

**Chester J. Culver**  
Governor of Iowa





**Nationwide**<sup>®</sup>  
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“Supersized.” That’s how Allied Insurance President Kim Austen described the insurer’s downtown Des Moines headquarters campus following the completion of one expansion project and the ground breaking ceremony for another. Supersized could also describe the impact the company has had on the central Iowa economy since its 1998 purchase by Ohio-based Nationwide. Since then, the growth of its physical and employment presence in Iowa has been nothing short of eye popping.

■ Five years ago, Nationwide completed a \$137-million development project which resulted in a seven-story, 486,000-square-foot facility.

■ In December 2005, the company announced plans for a \$142-million expansion of the downtown Des Moines campus, including the creation of 1,570 jobs and a 350,000-square-foot building.

■ Most recently, the 285,000-square-foot addition to its first downtown facility has been completed.

When the dust of construction finally settles at Nationwide in December 2008, its Des Moines campus will total

1,167 million square feet, making it one of the largest contiguous facilities in Iowa. The company will employ more than 5,500 associates in central Iowa in all operations, with more than 4,500 representing property and casualty insurance operations.

The supersized buildings, says Austen, will house Nationwide property and casualty insurance operations, including Allied Insurance, Nationwide Agribusiness and Nationwide Insurance. The expansions were made possible by cooperation among several governmental entities and the private sector.

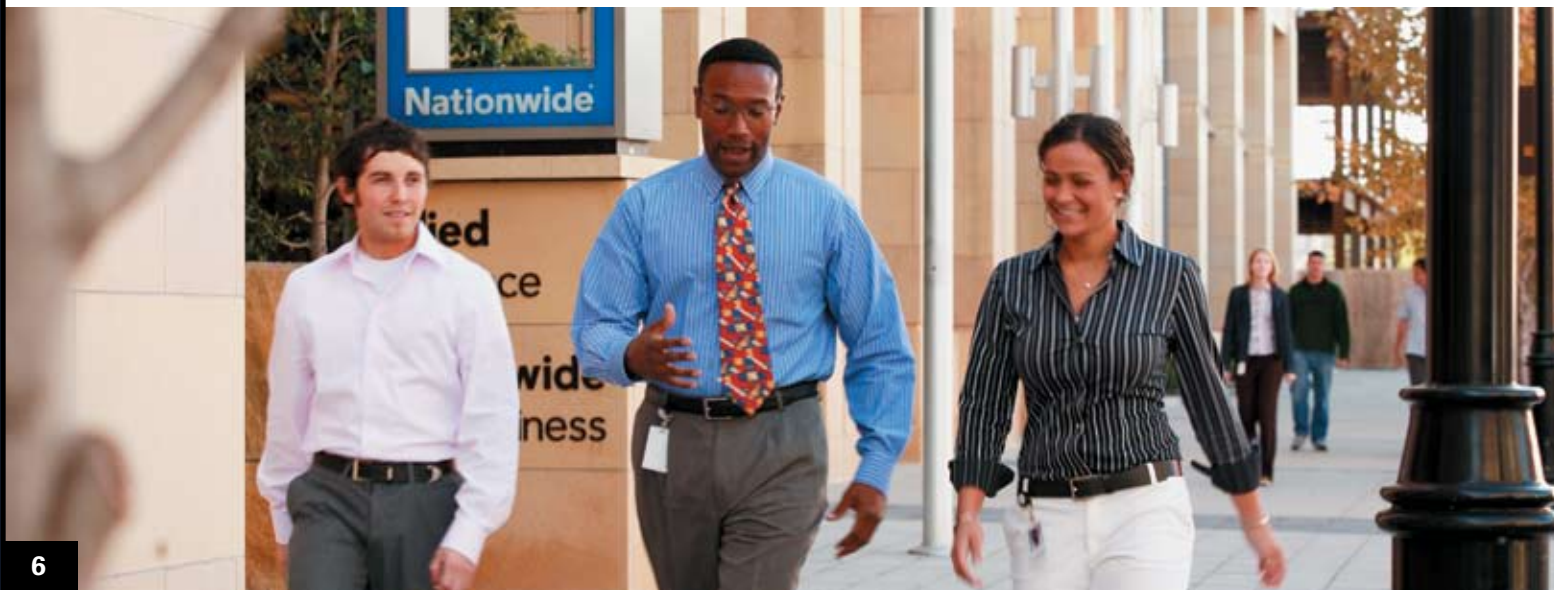
“The outstanding cooperation from the City of Des Moines, Polk County, the State of Iowa and the Greater Des Moines Partnership only helped confirm our decision to remain in Des Moines,” says Austen. “Nationwide has enjoyed a great deal of success in Des Moines and these newest expansions will plant the seeds for our future growth in the community we’ve called home since 1929.”

Nationwide’s construction in downtown Des Moines received a series of awards from Iowa Department of Economic Development-administered programs. They include a \$7.65 million award from the

Physical Infrastructure Assistance Program (PIAP) and a series of tax credits from Iowa’s Enterprise Zone program.

Nationwide, based in Columbus, Ohio, is one of the largest diversified insurance and financial services organizations in the world, with more than \$160 billion in assets. Nationwide ranks 104 on the Fortune 500 list. The company provides a full range of insurance and financial services, including auto, motorcycle, boat, homeowners, life, commercial insurance, administrative services, annuities, mortgages, mutual funds, pensions, long-term savings plans and health and productivity services. In central Iowa, the Nationwide family of companies includes Allied Insurance, Nationwide Advantage Mortgage, Nationwide Agribusiness, Nationwide Insurance, and Nationwide Services Corporation.

**To find out how Iowa’s Enterprise Zones and other incentive programs could ensure your company’s future, contact the Iowa Department of Economic Development for a confidential consultation at 800-245-IOWA. Or visit our Web site at [www.iowalifechanging.com](http://www.iowalifechanging.com).** ■



## Insurance surges ahead in Iowa

Statistics show the insurance industry is more important than ever to the Iowa economy, a tribute to Iowa's highly productive workforce. Five major companies have expansions underway that will create more than 4,000 jobs and invest more than \$751 million in insurance company facilities. Insurance/Financial Services is a targeted sector of Iowa's economic development strategies, which are effectively assisting this major growth.

According to an Iowa State University economic study, "Iowa has 1.8 percent of the nation's insurance jobs, yet generates 2.2 percent of the nation's domestic product from insurance activities. That means that Iowa's insurance workers are more productive than the national norm."

In 2005, Iowa's insurance industry output as a percentage of the state's total Gross Domestic Product (GDP) was 8.19 percent, ranking it second highest among the 50 states. For comparison, Connecticut was first with 8.63 percent and Delaware third with 7.53 percent, according to the U.S. Bureau of Economic Analysis. ■

## Wellmark chooses headquarters site

Health insurer Wellmark, Inc. has announced construction of its first company-owned headquarters in downtown Des Moines. The \$195 million project includes a 2,000-car parking garage and a 500,000 square foot headquarters in either one or two buildings. Construction will begin on this campus site by the spring of 2008 with completion expected in late 2010. Infrastructure development by the City of Des Moines to support the new headquarters was awarded \$1 million by the Iowa Department of Economic Development. Wellmark was also awarded tax benefits for investing and creating jobs in an Enterprise Zone. The expansion will add 63 employees to the company's workforce of 1,577 in Des Moines.



Downtown Des Moines will soon be home to Wellmark's \$195-million headquarters.

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## guest opinion

### Iowa knows insurance



Susan E. Voss  
Iowa Insurance  
Commissioner

**S**uccess in the insurance business is a natural for Iowa because of the work ethic of our people, a strong educational infrastructure and the critical mass of successful insurance operations that are located here. At the Iowa Insurance Division we work to maintain a fair, flexible and positive regulatory climate to make this success possible. We believe that our approach fosters strong and profitable companies while protecting the interests of consumers in the marketplace.

During the past two decades, employment has increased by over 53 percent in the insurance industry, making insurance the fastest growing job generator of the Iowa economy. The productivity and efficiency of well-managed, well-capitalized Iowa companies builds on itself, attracting more investment and jobs in this important industry sector.

The insurance industry is directly or indirectly linked to 88,336 Iowa jobs with annual payrolls of \$3.9 billion, according to an Iowa State University study.

Iowans are well-educated, consistently leading the nation in academic performance. Iowa's top-flight educational facilities, which include training to support all levels of employee skills, provide an ample supply of qualified workers for insurance and financial services companies.

Drake University and the University of Iowa are examples of insurance education centers that feed high skill employees to the industry from undergraduate and post graduate insurance courses.

Although our current position attracts a lot of attention, the state of Iowa is really a historical center for the insurance business in the United States. We've been in this business a long time. Back in the 1867, Equitable Life Insurance of Iowa was founded in Des Moines. Later in that century, Banker's Life, which is now The Principal Financial Group, was also founded in Iowa.

Today, Iowa is home to the headquarters operations of 61 property and casualty insurance companies, 28 life insurance

companies and six Health Maintenance Organizations. In addition there are more than 100 county mutual insurance companies headquartered in Iowa.

Iowa's unique operating environment is the foundation of our aggressive marketing efforts that combine the leadership of the insurance industry, communities and state government in a public-private partnership.

We keep in touch with insurance leaders throughout the nation, as well as in our state, to promote Iowa as one of the most competitive locations for insurance operations. These ongoing efforts have produced strong growth that is the envy of other states.

The insurance industry in the state of Iowa is expanding for all the right reasons. With the support of the State of Iowa, domestic insurers and the insurance division, the environment is favorable for companies looking for a competitive location in the U.S. insurance market. ■