

Iowa's Financial Capital

Major players like The Principal, Prudential and Wells Fargo recommit, relocate and expand their operations in Iowa.



IOWA

HAS CREATED A SUCCESSFUL ENVIRONMENT
FOR FINANCIAL SERVICES AND INSURANCE COMPANIES.



Data crunchers love the numbers they find in Iowa. On average, the state has one of the lowest costs of doing business. Construction costs are 18 percent below the national average and commercial real estate costs are economical. Iowa is also home to more than 100,000 financial and insurance professionals.

Iowa identified its strengths and put the wheels in motion early on to create a successful financial and insurance industry cluster. It created a friendly tax structure. It developed programs to elevate its workforce and collaborated with companies to invest in local arts and cultural projects to build vibrant communities. All of these efforts combined are why Iowa is an extremely competitive insurance and financial services hub.

32.9%
OF THE POPULATION
25 TO 34 YEARS OLD HAS A
**BACHELOR'S
DEGREE**



SOURCE: Census Bureau, Population
Estimates & American Community Survey, 2014

THE IDEAL TALENT POOL

“There are several reasons why insurance and financial services companies have relocated or expanded in Iowa over the last 20 to 30 years,” said Larry Zimpleman, chairman/CEO, the Principal Financial Group. “But the number one reason is the workforce. We’re extremely



“We have access to a high quality workforce and employees who are educated and committed to having a successful career.”

— Larry Zimpleman, Principal Financial Group CEO

**MORE THAN
6,300
FINANCIAL & INSURANCE
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fortunate at The Principal to have access to a high quality workforce and employees who are educated and committed to having a successful career.”

Iowa’s leading educational institutions develop and teach industry-demanded curriculum, so graduates meet the needs of growing companies. Both **Drake University** and the **University of Iowa** have highly ranked actuarial science programs, and Drake’s Kelly Insurance Center provides tailor-made programs to mold industry leaders. This provides companies an ideal recruitment pool in their own backyards.

AN INSURANCE CLUSTER

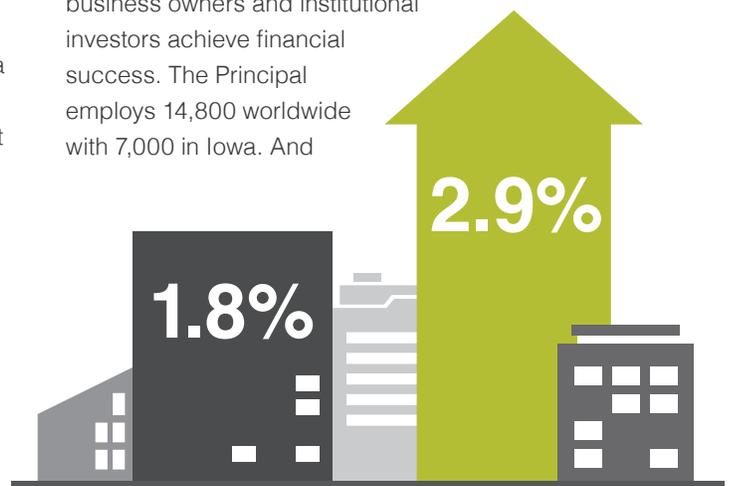
More than 6,300 financial and insurance companies call Iowa home, with 80 of those insurers choosing the state for its headquarters. While the U.S. insurance industry has been flat for the past 15 years, Iowa’s grew by 11 percent. One of the reasons for this sustained growth was the state’s business-friendly regulations and fiscal responsibility. As a matter of Iowa law, the state budget is balanced each year.

Iowa has lowered its insurance premium tax by half to just one percent — one of the lowest rates in the nation. With no premium taxes on the sale of annuities, qualified insurance plans or surtaxes on insurance carriers, Iowa has built an environment where major companies like **AEGON** and **Grinnell Mutual** have prospered. Iowa’s international reputation as an insurance powerhouse has strengthened with the Global Insurance Symposium in Des Moines, May 2014. The impressive speaker line-up included Masamichi Kono, International Affairs of the Japan

Financial Services Agency and Senator Ben Nelson, CEO of the National Association of Insurance Commissioners (NAIC).

“Principal has benefitted from Iowa’s fair and balanced regulatory environment and how well the state’s managed from a budgetary standpoint,” said Zimpleman. “Even our state insurance regulators have a national reputation for efficient oversight that is responsive and fair.”

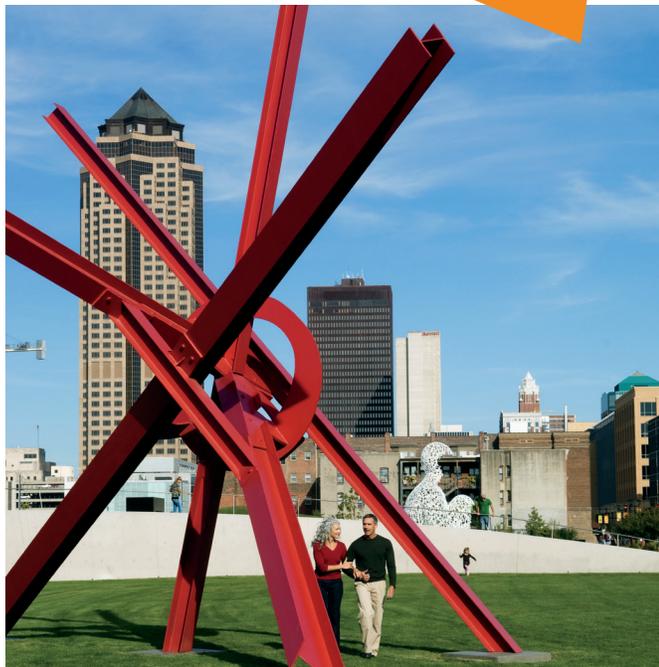
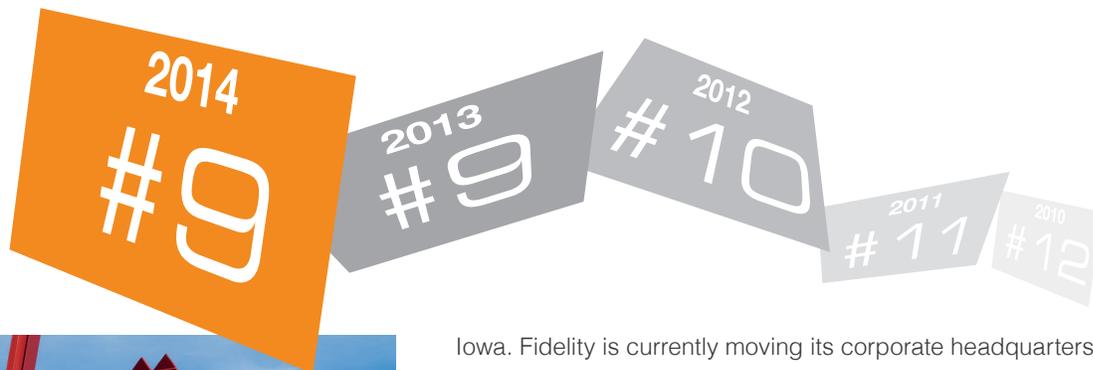
Headquartered in Des Moines for more than 130 years, **The Principal** is a global investment management leader providing solutions to help individuals, business owners and institutional investors achieve financial success. The Principal employs 14,800 worldwide with 7,000 in Iowa. And



IOWA HAS 1.8% OF THE NATION'S FINANCE AND INSURANCE JOBS, BUT GENERATES 2.9% OF ITS INSURANCE GDP.

IOWA CONSISTENTLY RANKS AMONGST THE NATION'S MOST BUSINESS FRIENDLY STATES

SOURCE: CNBC 50 State Comparison Reports, 2014



in 2013, The Principal made a \$400 million commitment to renovate its Des Moines campus.

A few blocks down, you find the **Nationwide Mutual Insurance** campus where 4,000 people work each day overlooking the John and Mary Pappajohn Sculpture Park, with \$40 million worth of impressive outdoor art.

Heritage companies like **EMC Insurance Companies** employ more than 1,000 in central Iowa and is listed by *Forbes* as one of the "100 Most Trustworthy Companies" in the U.S.

The regulatory environment, coupled with the impressive cluster of leading insurers helped to attract **Fidelity & Guaranty Life Holdings, Inc.** and **Athene USA** to central

Iowa. Fidelity is currently moving its corporate headquarters from Baltimore, Maryland, while Athene is moving more than 200 positions from Topeka, Kansas to West Des Moines.

ROBUST FINANCIAL SERVICES DOT THE STATE

The attractive regulatory environment, plus short commutes, top-notch schools and overall affordability attracts financial companies as well.

Rabo AgriFinance and **Ocwen Financial** operate major regional offices in north central Iowa, while **Prudential Retirement** has thrived near the banks of the Mississippi River for more than 20 years. Prudential employs 540 people in downtown Dubuque, which is listed by *Forbes* as the No. 1 "Best Small Cities to Raise a Family." Also, the number one retail mortgage lender in the U.S., **Wells Fargo Home Mortgage**, is headquartered in Iowa and employs more than 13,000 financial professionals.

Looking for a lower deductible and a premium business environment for your insurance or financial services company? Consider investing in Iowa and reap the financial rewards. Visit iowaeconomicdevelopment.com to learn more.

IOWA ANNUALLY RANKS AMONG THE NATION'S "MOST LIVEABLE" STATES

