



THE IOWA / NEBRASKA CHAPTER OF THE ESOP ASSOCIATION

SUMMER 2021 NEWSLETTER



LETTER FROM THE PRESIDENT

Happy Summer to everyone! I am writing this article right after the The ESOP Association's National Conference in D.C. There were just over 400 in-person attendees and another 300 to 400 attending virtually. I have to admit, it was really great to see a lot of ESOP friends in person, shake hands and give a few hugs. Everyone I talked to was very grateful that we had this opportunity to meet and the mood was very upbeat. I was also glad to see that the chapter was well-represented, including the largest contingent at the Midwest Region meet-and-greet Tuesday morning!

We were well represented at the Awards Dinner as well and even though we didn't win the National Employee Owner of the Year or the Employee-Owned Company of the Year, I would put our own 2021 winners (Jess Rindels from VGM and Wright Service Corp.) up against any of the national nominees and winners. I look forward to seeing how many AACE and poster awards the Chapter takes home when we meet in Las Vegas in November!

Continued on next page...

In This Newsletter:

Letter From the President
Pages 1 and 2

Advocacy
Pages 3 and 4

Programming
Pages 4 and 5

Membership
Pages 5 and 6

Member Spotlight
Pages 6 and 7

Sponsors
Page 8

I appreciate the Chapter members taking time at the National Conference to participate in the Hill visits by conference call. I admit, it wasn't the best way to connect with our elected officials, but we did a great job delivering our message and asking for action. I look forward to going up to the Hill in person next year for the meetings. One of our "asks" was for our elected officials to visit our member companies. If you're interested in having any of your elected officials visit your place of work, please contact their local office to schedule the visit or contact Ryan Ball, our VP of Advocacy, and he will guide you through the process.

2021 is going to be one of those years where we see ESOP formations explode. In talking with many of our professional members, they are already reporting record levels of new transactions and the last half of 2021 will be very busy. There are two reasons for this. First, the "Silver Tsunami" or the aging of Baby Boomers continues and second, the threat of changes to the tax structure is speeding up decisions to sell to ESOPs. I expect we will have a number of new members when we roll into 2022. You can do your part by mentoring any company considering an ESOP or newly-formed ESOPs. If you have a connection with a company, but you don't feel comfortable talking to them, please touch base with Becky Wiegel, Jodi Lamb, or me and we'll connect them with one of our ESOP members.

I would like to thank each of you for your involvement, not only with your ESOP company, but also in the ESOP community and the Chapter. I appreciate it and look forward to seeing you in Omaha on Aug. 3. Take care and be safe.

Scot

Scot Storjohann, GreatBanc Trust Company
President, Iowa/Nebraska Chapter of The ESOP Association



We Want to Hear From You!

Do you have a comment, question, or any other feedback you'd like to share with the IA/NE Chapter? If so, please feel free to share it at any time by sending an email to Jodi Lamb (jlamb@esopassociation.com), our Chapter Executive. She will ensure your email is routed to the appropriate individual and a response will be provided as quickly as possible.



ADVOCACY

Advocacy Update from the National Conference

With D.C. making last minute changes to their capacity limits for events, the IA/NE Chapter had a small, but mighty group in attendance for The ESOP Association's Annual National Conference and Advocacy Day last month! New this year was a greater focus on ESOP advocacy, a Congressional reception, and an Advocacy Academy that provided a half day of educational content on what to expect on Capitol Hill, the issues affecting ESOPs, effective storytelling to members of congress, and even some role playing on how to conduct effective meetings.

Even though we had traveled to D.C., we still conducted our congressional appointments virtually. Representatives from Wright Service Corp, VGM Group, Folience, ESP International, Great Banc Trust, Commonwealth Electric, and ESCO were able to meet with the offices of two members of congress and all four senate offices from IA/NE. We discussed the following four topics in each meeting, all designed to expand awareness, knowledge and scope of ESOPs across the country:

- [S1300 – The Promotion and Expansion of Private Employee Ownership Act of 2021](#). Introduced in late April, this legislation extends financing opportunities and technical assistance to S corporations to become ESOPs. S1300 already has 29 cosponsors, including Senators Ernst (IA) and Fisher (NE) and will likely add several more after advocacy efforts at the TEA event.
- [A request for each office to draft a letter to the Department of Labor](#) outlining TEA request for additional guidance as it relates to their regulation of ESOPs, specifically the “adequate consideration” provided during ESOP transactions by fiduciaries. It is not often that an industry requests ADDITIONAL regulations, but that is precisely what ESOPs are asking for – more clear guidance to eliminate uncertainty of ESOP transactions.



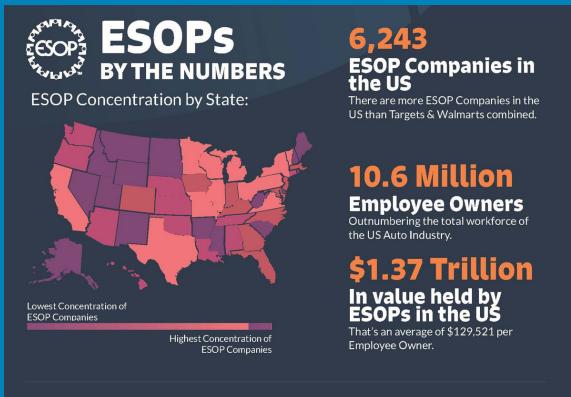
- [Support funding for the creation of Employee Ownership Centers](#) across the country to expand the exposure of ESOPs to additional companies, thereby expanding the reach of employee ownership and the benefits it provides, to millions more working Americans. This is language from the Sanders/Moran amendment that we are hoping to include in the House version of the China Competitiveness bill recently passed in the Senate.
- [Inviting each member to visit ESOP companies](#) when they are back in state/district.

As you can see, it was a whirlwind day of advocating for ESOPs and we were met with positive response from each office. Follow up with each office will be key in translating that positive response into concrete action. Scheduling visits at local ESOP companies will also pay dividends in developing long-term relationships with each office.

If you have not already, I encourage you to sign up for TEA’s new [Employee Ownership Action Network \(EOAN\) advocacy listserv](#) to receive updates on important advocacy activities. Please reach out to Scot, Jodi or myself with any Advocacy questions. Or, if you have interest in hosting a member of congress at your business, we can list you as an option when speaking with each office moving forward.

ESOPs by the Numbers

Recently, The ESOP Association posted a new handout, titled “ESOPs by the Numbers.” This [infographic](#) provides a quick snapshot on ESOP concentration and distribution by state. It also shares some interesting statistics about ESOPs overall. This piece would be great to use when meeting with elected officials or may even be something to share with your employees to further educate them on ESOPs.



PROGRAMMING

May Roundtable Was a Success

On May 26, a total of 67 employee-owners from the IA/NE and Northwest Chapters came together for a virtual roundtable. After an introduction, participants were able to join different breakout rooms on Zoom that focused on specific areas to share tips, ideas, and make new connections. It was great to connect with individuals from another Chapter and hear their perspective on a variety of topics. These roundtable events have been so successful that our chapter is receiving lots of requests from other chapters to do something similar. We will aim to hold one set of roundtables with another chapter each year.



PROGRAMMING CONTINUED

Attend the Summer Golf Outing on Aug. 3

Join us for our annual summer golf outing on **Tuesday, Aug. 3 at Tiburon Golf Club in Omaha**. The day will consist of CEO, CFO, HR, and ESOP Communications Roundtables in the morning, followed by lunch and an 18-hole golf scramble in the afternoon. To learn more and to register, visit the [event website](#). The **deadline to register is 4 p.m. on July 29**.

This will be a great opportunity to reconnect with your fellow Chapter members during our first in-person event of 2021!



MEMBERSHIP

Welcome New Members!



We'd like to welcome **PSB Corporation** as a new corporate member of the chapter! PSB Corporation is a bank holding company established in 1984 and is headquartered in Wellsburg, Iowa. To learn more about PSB, visit their [website](#).

SAVE THE DATE!

Midwest Conference

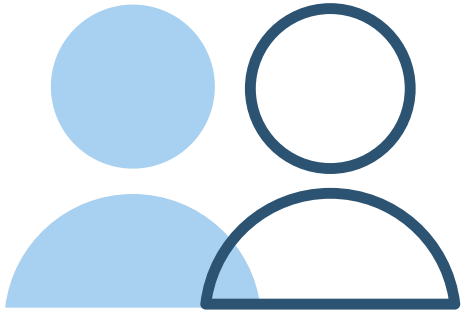
If you haven't already, be sure to reserve time on your calendar to attend the IN-PERSON Midwest Conference in **Des Moines, Sept. 15 to 17**. Look for more details to be distributed in the coming months!



Employee Owned 2021 Conference

Taking place **Nov. 10 to 12 in Las Vegas**, this conference and trade show is the premier networking and educational opportunity for employee-owned companies and the professionals who service them.

You Can Add Company Contacts to Your Membership



Did you know that if you have a corporate or affiliate membership that you are able to add as many contacts as you wish to your ESOP Association membership? This would allow other individuals in your company to access the membership benefits on the website and receive communications directly from the chapter and the national association. To do this, the primary member for the organization just needs to log in and add to their company contacts in their profile.

Member Spotlight: Dean Snyder Construction

This quarter's Member Spotlight is a new arrival to employee ownership, [Dean Snyder Construction](#) (DSC) out of Clear Lake, Iowa. DSC has been a family-owned business since 1958 providing professional construction services throughout Iowa and the Midwest. DSC employee-owners, Kelly Steenhard and Nate Carney, shared their insight about DSC and becoming an ESOP company.



Your Company Background:

Dean Snyder Construction was established in 1958 and specializes in providing professional construction services throughout Iowa, the Midwest, and for some clients, across the U.S. DSC offers construction management, design-build, and general construction services to commercial, food and beverage processing, industrial, healthcare, and pharmaceutical manufacturing markets. DSC has offices in Clear Lake, Iowa; Ankeny, Iowa; and Omaha, Neb.

A few of the projects DSC is currently working on include:

- An 81,000 square foot Wellness Center in Clear Lake, Iowa;
- Kwik Star convenience stores in Emmetsburg and Waukee, Iowa;
- Fareway Grocery stores in Marshalltown, Iowa, Rockwell City, Iowa, and Gretna, Neb.;
- A major expansion at Cambrex for the active pharmaceutical ingredient (API) facility in Charles City, Iowa;
- A cooler/freezer space addition for Kraft Heinz in Kirksville, Mo.; and
- A new 2-story, 8,000 square foot church in Pleasantville, Iowa.

DSC’s subsidiaries include ATURA architecture, which provides design and architectural services to the public and private sectors in Iowa, and the DSC Industrial Group, experts dedicated to design, project management, and construction in the food and beverage processing industry.

Your ESOP Background:

DSC currently has 233 employees and became an ESOP just six months ago on Dec. 31, 2020. In lieu of a Christmas party in 2020 (due to the pandemic), a video was made by the owners and distributed to all employees announcing that the ESOP was formed and that employees now owned 19% of the company.

Integrating Employee Ownership at DSC:

Right from the beginning, we started using the phrase, “A Family-and-Employee-Owned Company” with our logo on marketing materials, including a 53 foot jobsite trailer. We have made and distributed hardhat stickers that state “Proud Employee Owner,” updated our company’s core values to include “Ownership,” and provided some initial training, presented by a representative from our plan trustee, in our annual Superintendent/Project Manager meetings.

Additionally, we have begun a new quarterly communication to specifically address company operations and performance, along with some ESOP-specific quick topics. We also are in the process of establishing an ESOP Committee to help drive employee communications.

Excitement and Inspiration on Becoming an ESOP Company:

We are just starting our ESOP journey. It is exciting to see and hear responses from our long-tenured employees who now have this opportunity of ownership. They have helped make this company who we are today and now have the opportunity to get in on the benefits of their work. Many of these employees have a good understanding of what the ESOP could mean for their future retirement and are ready to do all they can to help drive the company forward. For some of our younger employees, we look forward to continuing to educate them about the ESOP and the potential impact it could have 20+ years down the road for them.



THANK YOU TO OUR SPONSORS!

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