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CITYVIEW'S

# BUSINESS JOURNAL



## PLAYING MUSIC in your business?

Here is what every business owner  
should know about licensing.

By Melissa Walker

Businesses and music have been intertwined for years. As part of an overall marketing effort, businesses create ambiance and atmosphere through the use of music to influence customers' moods and buying habits.

The National Restaurant Association says music choice can either turn tables over more quickly or encourage patrons to slow down and enjoy their meal. The association cites a Journal of Culinary Science and Technology study that found diners thought their food tasted the best when classical music was softly played and there was the presence of subtle background chatter. However, when there was no music, diners thought the sounds of cutlery were noisy.

Likewise, music that appeals to the listener's pleasure center of the brain that releases oxytocin, dopamine and serotonin has been shown to make shoppers behave differently in retail stores, even in customer service lines.

These reasons, and others, are why many business owners choose to play music within their store or restaurant. Playing music, whether it's lyrical or not, live or recorded, must follow copyright laws that require the user to receive permission from the songwriter and composer before the music is played publicly.

It is a complicated process but one that all owners and managers of businesses, large and small, should understand or risk significant fines. Common questions include:

### Do I need a license?

There are many reasons why business owners play music within their store or restaurant. The owner should consider his or her needs and then select the appropriate music.

Music, both live and recorded, is protected by federal copyright laws that are designed to ensure the songwriter and composer receive royalties and compensation for the use of their original material. Copyright laws protect against the use and/or copying of songwriters' and producers' work without a license to play it.

Chris Proskey, an attorney at BrownWinick in Des Moines and co-chair of the firm's intellectual property practice group, says that, essentially, any business that plays music for a public audience, whether it's recorded background music or a live performance, must pay a commercial or public display license in order to comply with copyright laws.

"It's just like doing your taxes or paying your rent," he explains. "It's a cost of doing business."

A standard subscription to a streaming service such as Spotify or Pandora does not cover commercial use, nor does music that may have come already programmed on an iPod or from the music of a CD. Most of those services or purchases specify that they are for personal use only.

"Playing the radio or their Spotify, which is intended for personal use, isn't acceptable," Proskey says. "They are creating an environment that is inviting for people in their restaurant that they can profit from. If they're using music to create that inviting environment, the music creators and performers should be paid for the benefit they provide."

Some music services such as Sirius XM for business and Pandora for Business include performing rights licensing fees in them, but business owners need to purchase the business version and ensure it includes music licensing fees.

Most larger chain restaurants and businesses understand that music licensing is a necessity. However, it can catch smaller businesses by surprise and often falls into the "never-thought-of-that category," Proskey says.

"It's something that can sneak up on a lot of small businesses," he says.

### How do I obtain a license?

Music licensing is handled through performing rights organizations such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music Inc. (BMI) and SESAC. The organizations, called PROs, manage music rights and handle licensing for businesses and organizations that want to publicly play music. In exchange, they send royalties to the copyright owners of the music. Both ASCAP and BMI say they return 90 cents of every dollar collected to the music owner.

While the PROs represent thousands, if not millions, of musical works, songwriters, composers and music publishers, each represents different ones. This requires business owners to purchase a blanket license from each PRO.

Most venue owners understand the need to ensure the music owner is compensated for his or her work, but the overall licensing system is complicated and archaic, says Max Wellman, a musician who is also the general manager and part owner of Noce in Des Moines.



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"It is a very complicated issue for vendors and performers," says Wellman, who has been on both sides of the licensing issue as both a venue owner and musician.

Several years ago, Wellman was set to be the house musician at a new venue opening in Georgia that would host live music six nights a week. After the venue realized how much it would cost for them to obtain PRO licenses annually, they changed their business model and could no longer afford to offer live music.

"That was very interesting to see go down as a live musician — and personally devastating," Wellman says.

Many PROs have licensing information on their websites, as well as the ability to apply for a license online.

John Johnson, the senior vice president of licensing for ASCAP, says hundreds of thousands of businesses are licensed through his organization. Most business owners proactively purchase their licenses and obtain permission for playing music, he says.

## What does a license cost?

The cost of the license will depend upon numerous factors: the type of business, the square footage of the site, the number of speakers, whether it's recorded or live music, whether there will be a cover charge, the number of patrons, how many nights music will be played and other conditions such as whether a disc jockey will be changing the music in any way.

When Wellman and Maria Filippone were ready to open Noce at the end of 2015, they knew music licensing would be a significant annual cost. They don't have bands submit set lists in advance of their performances, so they license with all PROs to ensure they have all music — from live performances to background music — covered.

"If you're doing it right, you're licensing through all three," Wellman says.

Wellman didn't disclose the exact amount the business pays in license fees but says it's thousands of dollars a year.

Bars that do not play live music can pay between \$500 to \$1,500 to each PRO annually. Those with live music have a higher licensing fee, according to Bar Business Owner, an online membership organization and resource for bar owners.

Intellectual property attorneys recommend a business owner consult an attorney who specializes in the area



Chris Proskey is an attorney at BrownWinick in Des Moines and co-chair of the firm's intellectual property practice group. Photo submitted



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of copyright law to ensure they are required to obtain a license before the business begins to play music. Copyright law does have a few exceptions mostly when it comes to educational and charitable events, the size of the facility and from what the music is being played. Some music streaming providers also have a component that comes with a usage license, which is why it's a good idea to read the fine print of terms and conditions to see what's covered, attorneys say.

Johnson says most small businesses will pay less than \$3 a day for music licensing. Larger businesses and live music venues may pay up to \$12,000 a year to a PRO, he says.

"It runs quite the range," Johnson says.

Licenses are renewed on an annual basis, so business owners need to update their music usage with the PROs at the time of renewal.

"If the occupancy or the way they're using it, or if any way they're using the music changes, then the rate can change, as well," Johnson says.

A BMI music license for restaurants and bars can cost \$378 per year, according to Jodie Thomas, the executive director of corporate communications and media relations for BMI. The average BMI license fee for restaurants or bars is about \$800 per year.

## What do I do about live performances, other types of music?

Business owners who plan to have live music must notify the PRO of the way the music will be used. The license then purchased will cover live performances including musicians who play original music, as well as cover other performers' songs.

The venue owner is responsible for obtaining the license, not the performer. The owner is responsible for any song the musician may play.

As a musician, Wellman says he performs both original material as well as others' music. He says there's been questions among musicians and songwriters about where the fees paid to PROs go and the feeling that the royalties paid do not match the amount of money taken in.

The fees also have caused some venues to struggle financially, specifically the Georgia venue where Wellman was set to perform.

"It did seem like an egregious fee," he says. "They determined it wasn't doable."

Music licensing must also cover music that is played by a DJ or sang during karaoke nights, Thomas says.

If the business operates a jukebox, it will need to obtain a license from the Jukebox License Office, which should cover all artists represented by PROs. Most jukebox vendors include music licensing in the lease price, but owners should verify that at the time of lease.

## What if I don't obtain a license?

BMI is what is known as a music performing right organization. A performing right organization represents songwriters, composers and music publishers. Often called PROs, these companies collect license fees from businesses that use music, including television and radio stations; broadcast and cable networks; new media, including the Internet and mobile technologies; satellite audio services like

XM and Sirius; nightclubs, hotels, bars, restaurants and other venues; digital jukeboxes; and live concerts. These license fees are then distributed as royalties to the songwriters, composers and music publishers the PROs represent. BMI has been in operation for more than 75 years, is recognized in U.S. copyright law as a licensor of music, and currently represents more than 1 million copyright owners and their 15 million

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musical works. Attorneys say it's better to be in front of the issue than to deal with threatened litigation, which can be more expensive.

PROs have sent representatives to bars, restaurants, clubs and other venues to listen to the music that is being played and then verify licensing. If there is not a license, the owner will receive a notification of the violations and the requirements of music licensing.

Some business owners have argued against these checks, saying PROs, unless conducting a check, have no idea what songs are being played, so they wouldn't normally be able to correctly pay artists their earned royalties for each time a song is played, according to Bar Business Owner. If a business owner receives a letter or threat from a PRO, the organization recommends the owner not ignore the threat but instead immediately consult an attorney.

Copyright law allows the owner of the music to recover damages that range from \$750 per violation to \$150,000 if a judge decides the infringement was purposeful.

A California court in 2013 awarded a PRO \$200,000 in damages and attorneys' fees.

Johnson with ASCAP says most times live music venues advertise their music, so spot checks can be done that way to determine whether the venue has the appropriate license. ASCAP representatives also check with business owners through phone calls and email.

"Our whole point of this isn't to catch people doing the wrong thing; it's really to encourage people to do the right thing: paying the permission of the songwriters and publishers in advance," he says.

Thomas with BMI says legal action is a last resort.

"When we see that a business is performing music but doesn't have a BMI music license in place, we realize we have an opportunity to educate business owners on music licensing and work with them so that music benefits everyone," she says. ■



Maria Filippone, left, the owner of Noce, and Max Wellman, the club's general manager and part owner, say music licensing costs the club thousands of dollars a year. Photo by Melissa Walker

Commercial real estate transactions in Polk County from Dec. 12, 2019, through Jan. 16, 2020

**ADDRESS: 5910 S.E. RIO CIRCLE, ANKENY**  
SALE DATE: DEC. 12, 2019  
PRICE: \$17,400,000  
SELLER: OPUS DEVELOPMENT COMPANY LLC  
BUYER: STAG INDUSTRIAL HOLDINGS LLC  
SQUARE FEET: 200,688  
ACRES: 20.259

**ADDRESS: 3205 GRAND AVE., DES MOINES**  
SALE DATE: DEC. 13, 2019  
PRICE: \$3,059,000  
SELLER: GRAND PRIX COOPERATIVE HOUSING ASSOC  
BUYER: IMPERIAL GRAND PRIX LLC  
SQUARE FEET: 26,793  
ACRES: 0.923

**ADDRESS: 3407 GRAND AVE., DES MOINES**  
SALE DATE: DEC. 13, 2019  
PRICE: \$6,557,000  
SELLER: THE IMPERIAL COOP HOUSING ASSOC  
BUYER: IMPERIAL GRAND PRIX LLC  
SQUARE FEET: 74,472  
ACRES: 1.625

**ADDRESS: 1312 LOCUST ST., DES MOINES**  
SALE DATE: DEC. 13, 2019  
PRICE: \$10,000,000  
SELLER: WESTGATE PARTNERSHIP LLC  
BUYER: HURD PLATTSMOUTH LLC  
SQUARE FEET: 66,180  
ACRES: 1.504

**ADDRESS: 1604 N.W. STATE ST. UNIT 101 BLDG 2, ANKENY**  
SALE DATE: DEC. 17, 2019  
PRICE: \$1,460,000  
SELLER: CLASSIC HOLDINGS LLC  
BUYER: 1810 SW PLAZA SHOPS LANE LLC  
SQUARE FEET: 10,726  
ACRES: 1.245

**ADDRESS: 2071 DEAN AVE., DES MOINES**  
SALE DATE: DEC. 17, 2019  
PRICE: \$620,000  
SELLER: ACOSTA-GALICIA, RUBEN  
BUYER: FRANZENBURG COMMERCIAL REAL ESTATE LLC  
SQUARE FEET: 9,424  
ACRES: 1.072

**ADDRESS: 5652 N.W. SECOND ST., DES MOINES**  
SALE DATE: DEC. 17, 2019  
PRICE: \$790,610  
SELLER: 2ND AVENUE BUSINESS PARK LLC  
BUYER: GEIER & GEIER INC  
SQUARE FEET: 0  
ACRES: 4.845

**ADDRESS: 2515 GRAND AVE., DES MOINES**  
SALE DATE: DEC. 17, 2019  
PRICE: \$275,000  
SELLER: SCHUPP, JOSEPH G., III  
BUYER: TERRACE HILL I LLC  
SQUARE FEET: 2,136  
ACRES: 0.173

**ADDRESS: 2168 GRAND AVE., WEST DES MOINES**  
SALE DATE: DEC. 17, 2019  
PRICE: \$14,300,000  
SELLER: JORDAN CREEK RESIDENTIAL COOPERATIVE  
BUYER: WDM ARTISAN LLC  
SQUARE FEET: 192,222  
ACRES: 9.265

**ADDRESS: 238 52ND ST., WEST DES MOINES**  
SALE DATE: DEC. 17, 2019  
PRICE: \$7,950,000  
SELLER: WESTWOOD RESIDENTIAL COOPERATIVE  
BUYER: WDM ARTISAN LLC  
SQUARE FEET: 122,094  
ACRES: 6.77

**ADDRESS: 435 N.W. 48TH PLACE, DES MOINES**  
SALE DATE: DEC. 18, 2019

PRICE: \$325,000  
SELLER: NICHOLS PROPERTIES LLC  
BUYER: OLSON, ADAM  
SQUARE FEET: 2,590  
ACRES: 0.949

**ADDRESS: 5579 N.E. 22ND ST., DES MOINES**  
SALE DATE: DEC. 18, 2019  
PRICE: \$2,689,840  
SELLER: MIDWEST MOTOR EXPRESS INC  
BUYER: STORE CAPITAL ACQUISITIONS LLC  
SQUARE FEET: 25,160  
ACRES: 13.3

**ADDRESS: 12023 N.E. 22ND ST., ANKENY,**  
SALE DATE: DEC. 18, 2019  
PRICE: \$3,142,720  
SELLER: MILLER, RANDY R.  
BUYER: KIMBERLY DEVELOPMENT CORPORATION  
SQUARE FEET: 0  
ACRES: 0

**ADDRESS: 200 S.E. GATEWAY DRIVE, GRIMES**  
SALE DATE: DEC. 20, 2019  
PRICE: \$1,800,000  
SELLER: CHARLES I. COLBY & RUTH COLBY INVESTMENT TRUST  
BUYER: GRIMES PLAZA PARTNERS, LLC  
SQUARE FEET: 16,920  
ACRES: 2.01

**ADDRESS: 301 S.W. 14TH ST., DES MOINES**  
SALE DATE: DEC. 20, 2019  
PRICE: \$7,984,540  
SELLER: RIVER POINT WEST LLC  
BUYER: BLACKACRE DEVELOPMENT LLC  
SQUARE FEET: 29,704  
ACRES: 11.261

**ADDRESS: 5614 N.E. 12TH AVE., PLEASANT HILL**  
SALE DATE: DEC. 20, 2019  
PRICE: \$250,000  
SELLER: WONDERLICH, WILLIAM J.  
BUYER: HAPPY BUDDHA PRECIOUS TEMPLE INC  
SQUARE FEET: 0  
ACRES: 1.465

**ADDRESS: 413 S.W. 12TH ST., DES MOINES**  
SALE DATE: DEC. 23, 2019  
PRICE: \$2,181,880  
SELLER: HRC NFS I LLC  
BUYER: GRAY'S STATION TOWNHOMES LLC  
SQUARE FEET: 0  
ACRES: 0.719

**ADDRESS: 2904 KINGMAN BLVD., DES MOINES**  
SALE DATE: DEC. 23, 2019  
PRICE: \$320,000  
SELLER: SANDAHL, KARIN L.  
BUYER: LIVING WATER EVANGELICAL FREE CHURCH OF DES MOINES  
SQUARE FEET: 4,694  
ACRES: 0.501

**ADDRESS: 6050 S.E. 14TH ST., DES MOINES**  
SALE DATE: DEC. 23, 2019  
PRICE: \$1,565,000  
SELLER: AJC INVESTMENTS LLC  
BUYER: DANLEE CORP  
SQUARE FEET: 10,230  
ACRES: 2.191

**ADDRESS: 5295 MERLE HAY ROAD, JOHNSTON**  
SALE DATE: DEC. 23, 2019  
PRICE: \$500,000  
SELLER: HAYES, CAROLINE S.  
BUYER: HAYES DSM RENTALS LLC  
SQUARE FEET: 5,075  
ACRES: 0.498

**ADDRESS: QC63+4H ANKENY**  
SALE DATE: DEC. 23, 2019  
PRICE: \$1,551,150  
SELLER: DESTIGTER FAMILY LP  
BUYER: BRIARWOOD MEMBERSHIP ASSOCIATION INC  
SQUARE FEET: 0

ACRES: 8.252  
**ADDRESS: 5830 S.E. 14TH ST., DES MOINES**  
SALE DATE: DEC. 26, 2019  
PRICE: \$3,425,000  
SELLER: PIGSKIN FARMS LLC  
BUYER: DINGEL PROPERTIES  
SQUARE FEET: 4,995  
ACRES: 2

**ADDRESS: 2135 S.W. NINTH ST., DES MOINES**  
SALE DATE: DEC. 26, 2019  
PRICE: \$336,000  
SELLER: CONINTHIAN MIDWEST VENTURES II LLC  
BUYER: 3SONS ENTERPRISES, LLC  
SQUARE FEET: 6,936  
ACRES: 0.694

**ADDRESS: 7975 UNIVERSITY BLVD., CLIVE**  
SALE DATE: DEC. 26, 2019  
PRICE: \$367,000  
SELLER: CORINTHIAN MIDWEST VENTURES II LLC  
BUYER: 3SONS ENTERPRISES, LLC  
SQUARE FEET: 3,819  
ACRES: 0.456

**ADDRESS: J8Q2+W7 URBANDALE,**  
SALE DATE: DEC. 26, 2019  
PRICE: \$2,256,000  
SELLER: CORINTHIAN MIDWEST VENTURES LLC  
BUYER: 3SONS ENTERPRISES, LLC  
SQUARE FEET: 29,210  
ACRES: 29.3

**ADDRESS: 7601 FLEUR DRIVE, DES MOINES**  
SALE DATE: DEC. 26, 2019  
PRICE: \$865,000  
SELLER: CORINTHIAN MIDWEST VENTURES LLC  
BUYER: 3SONS ENTERPRISES, LLC  
SQUARE FEET: 4,656  
ACRES: 33.921

**ADDRESS: 1151 23RD ST., DES MOINES**  
SALE DATE: DEC. 27, 2019  
PRICE: \$204,000  
SELLER: GREATER DES MOINES HABITAT FOR HUMANITY INC  
BUYER: MABYOR ANGUEY, ANDRO  
SQUARE FEET: 1,853  
ACRES: 0.138

**ADDRESS: 932 N. SHADYVIEW BLVD., PLEASANT HILL**  
SALE DATE: DEC. 30, 2019  
PRICE: \$585,000  
SELLER: C & C REAL ESTATE LLC  
BUYER: 932 N SHADYVIEW LLC  
SQUARE FEET: 3,371  
ACRES: 0.917

**ADDRESS: 9850 DOUGLAS AVE., URBANDALE**  
SALE DATE: DEC. 30, 2019  
PRICE: \$3,400,000  
SELLER: HIDDEN CANYON HOLDINGS LLC  
BUYER: GNT PROPERTIES IOWA, LLC  
SQUARE FEET: 41,288  
ACRES: 6.22

**ADDRESS: 207 SEVENTH ST., DES MOINES**  
SALE DATE: DEC. 30, 2019  
PRICE: \$24,051,790  
SELLER: LAWMARK CAPITAL INC  
BUYER: LAWMARK LP  
SQUARE FEET: 949,258  
ACRES: 3.258

**ADDRESS: 1501 ARLINGTON AVE., DES MOINES**  
SALE DATE: JAN. 2, 2020  
PRICE: \$185,000  
SELLER: AGUILAR, CARMELO  
BUYER: CAPITAL CITY PROPERTIES LLC  
SQUARE FEET: 1,896  
ACRES: 0.207

**ADDRESS: 1350 TUTTLE ST., DES MOINES**  
SALE DATE: JAN. 8, 2020  
PRICE: \$1,800,000  
SELLER: MOFFITT, DAVID C.  
BUYER: BLACKACRE DEVELOPMENT

LLC  
SQUARE FEET: 44,906  
ACRES: 3.005  
**ADDRESS: 1690 ALL-STATE COURT, WEST DES MOINES**  
SALE DATE: JAN. 8, 2020  
PRICE: \$280,000  
SELLER: ALL-STATE INVESTMENTS LC  
BUYER: JAW INVESTMENTS LLC  
SQUARE FEET: 0  
ACRES: 5.33

**ADDRESS: ON INDIANOLA AVENUE AND S.E. 72ND AVENUE, BLOOMFIELD/ ALLEN, DES MOINES**  
SALE DATE: JAN. 8, 2020  
PRICE: \$2,000,000  
SELLER: STEVENS, JOANNE M.  
BUYER: FLUMMERFELT EAGLE POINTE LLC  
SQUARE FEET: 0  
ACRES: 38.485

**ADDRESS: 5250 N.E. 17TH ST., DES MOINES**  
SALE DATE: JAN. 9, 2020  
PRICE: \$1,800,000  
SELLER: 5250 LLC  
BUYER: IPE1031 REV337 LLC  
SQUARE FEET: 48,701  
ACRES: 2.477

**ADDRESS: 101 RHOTEN AVE., RUNNELLS**  
SALE DATE: JAN. 10, 2020  
PRICE: \$375,000  
SELLER: LIPPOLD, PAUL J.  
BUYER: CTB ENTERPRISES LLC  
SQUARE FEET: 6,468  
ACRES: 1.05

**ADDRESS: 465 CENTER PLACE S.W., ALTOONA**  
SALE DATE: JAN. 10, 2020  
PRICE: \$1,800,000  
SELLER: SPIDER MONKEY LLC  
BUYER: C&C REAL ESTATE LLC  
SQUARE FEET: 4,514  
ACRES: 0.72

**ADDRESS: 5051 E. UNIVERSITY AVE., PLEASANT HILL**  
SALE DATE: JAN. 14, 2020  
PRICE: \$480,000  
SELLER: NORTH CENTRAL PROPERTIES LLC  
BUYER: M AND N HOMES, LLC  
SQUARE FEET: 2,627  
ACRES: 0.321

**ADDRESS: 3615 SIXTH AVE., DES MOINES**  
SALE DATE: JAN. 15, 2020  
PRICE: \$80,000  
SELLER: MARTHA L. MARTINSON REV TRUST  
BUYER: NEIGHBORHOOD DEVELOPMENT CORP  
SQUARE FEET: 3,500  
ACRES: 0.149

**ADDRESS: 112 S.E. FOURTH ST., DES MOINES**  
SALE DATE: JAN. 15, 2020  
PRICE: \$1,200,000  
SELLER: GRDN LLC  
BUYER: STAPEK PARTNERS, LLC  
SQUARE FEET: 17,657  
ACRES: 0.447

**ADDRESS: 3205 KINGMAN BLVD., DES MOINES**  
SALE DATE: JAN. 15, 2020  
PRICE: \$925,000  
SELLER: KINGMAN APARTMENTS LLC  
BUYER: DRAKEMAN, LLC  
SQUARE FEET: 11,368  
ACRES: 0.864

**ADDRESS: 441 S.E. GATEWAY DRIVE, GRIMES**  
SALE DATE: JAN. 16, 2020  
PRICE: \$765,530  
SELLER: KAUSALIK INTEGRATED DAYCARE SERVICES LC  
BUYER: ET REAL ESTATE HOLDINGS, LLC  
SQUARE FEET: 9,180  
ACRES: 1.486

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# CITYVIEW'S BUSINESS JOURNAL

# EXPERT ADVICE

## ON ISSUES THAT MATTER TO YOUR BUSINESS

### MARKETING

#### *Balancing marketing personalization and privacy*

Have you noticed advertising “following you” around recently? You may be having a discussion about a toaster oven and then you start noticing more appliance ads everywhere shortly thereafter. Brands are embracing tracking, personalization, and predictive analytics to attempt to match consumers to the products and services they are looking for.

A recent GetApp survey found that 91 percent of consumers believe that advertisers know too much information about them. While many brands have embraced these advanced marketing tactics, the research indicates many consumers find it invasive and will combat tracking with privacy tools and ad blockers.

It is important as a business to carefully consider your strategy and balance the need for information about your customers while still maintaining their trust. While some personalization can improve the customer experience, it is important to use in moderation.



**JEREMIAH TERHARK**  
Founder/CEO



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### HUMAN RESOURCES

#### *Who should be eligible for my 401(k) program?*

Retirement security. Sounds great, right?

That's the goal of a new law regarding retirement savings; on Jan. 1, the SECURE Act – entailing a variety of changes to retirement accounts including 401(k)s, 403(b)s, IRAs and others – went into effect.

One highlight for employers is the change to eligibility requirements. Prior to 2020, employers didn't need to extend eligibility to employees who worked fewer than 1,000 hours. Under the SECURE Act, employees may also qualify if they work 500 hours a year for three consecutive years. While that's great for part-time workers, tracking eligible employees has gotten tougher. Employers may consider extending eligibility beyond the minimum required by the SECURE Act to eliminate some of the calculation and admin burden. Another highlight: if you set up a plan that automatically enrolls employees, you can file for a tax credit of up to \$5,000.



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### ACCOUNTING

#### *Have you heard about the Disaster Relief Act?*

On Dec. 20, 2019, the President signed the Taxpayer Certainty and Disaster Tax Relief Act of 2019. Inside this law, Congress retroactively reinstated several tax deductions that lapsed on Dec. 31, 2017. This means that you can take them on the 2019 federal return and amend your 2018 tax return to claim last year's deductions:

- The 10 percent of AGI hurdle has been removed for disaster casualty loss deductions
- Debt cancellation on a foreclosure of a personal residence is not taxable income up to \$2 million
- Mortgage PMI insurance premiums are tax deductible again on the federal return
- The medical expenses hurdle drops from 10 percent back down to 7.5 percent
- The Work Opportunity Tax Credit is reinstated
- Energy efficiency improvement \$500 lifetime cumulative credit is reinstated (windows, doors, water heater, furnace, etc.)
- \$4,000 college tuition deduction is reinstated.



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# CITYVIEW'S BUSINESS JOURNAL

# EXPERT ADVICE

## ON ISSUES THAT MATTER TO YOUR BUSINESS

### ADVERTISING

#### Why advertising increases your credibility

It is true. There is a perception and a reality that if a business can afford to advertise in established media, it must be doing well. This is a positive message to the consumer. When you advertise, you control the message. Another plus. "Word of mouth" is good, as long the "word" is "good." We've all witnessed examples of negative "word of mouth," as well as what "free" social media methods can do to a business.

Take control of your image. Advertising allows you to share news, information, announcements and brand exactly the way you want it. This control lets you manage and protect your image. The best advertising campaigns and plans are ingenious and have a compound effect over time. The more advertising you do, the more effective they are. Just think about these great companies and their images: Nike, Target, Coke, Toyota, McDonald's, Budweiser.

How credible is your business?



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### FINANCIAL STRATEGIES

#### The SECURE Act — What you need to know

Attached to the spending bill in late 2019 the President signed into law the most sweeping financial legislation since the Pension Protection Act of 2006. Designed to improve American's ability to save and to increase access to employer sponsored retirement plans, the SECURE Act provides key incentives to both individuals and companies.

**RMD's :** Required Minimum Distributions from Qualified Tax Deferred Accounts have been pushed back from 70.5 to age 72. In addition, you will be able to continue your Traditional IRA contributions beyond age 70.5 provided you have earned income.

**Tax Credits for Startup Retirement Plans:** The formula is complicated but employers can receive a tax credit for up to 50 percent of their 401k plan expenses for three years. This incentive is designed to create access to the 44 percent of the workforce currently not able to participate in an employer sponsored plan. It is impossible to explore all of the provisions here, but visit [newportgroup.com](http://newportgroup.com) for the full review under the Knowledge tab on the home page.



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### SALES

#### Grow your territory and your sales

Sales is a numbers game combined with a strategy of discipline and messaging.

Here are my tips:

- 1. Contact everyone.** Have you truly done this? Get your lists out. Start at the beginning and work through them all, calling every single one and setting appointments.
- 2. Create new lists.** Are you using the same list every time? Create new lists through [DexKnows.com](http://DexKnows.com), referrals, phone books, attending events, joining clubs, volunteering and directories.
- 3. Share your most recent product or service, routinely.** Do you have a regular routine of contacting clients and prospects? This is a crucial "to do" activity to build trust. Share this information with everyone, current clients, prospects, family and friends.
- 4. Share testimonials.** This builds an image of success.
- 5. Share opportunities.** How many products or services do you offer? Are your clients/prospects familiar with them all?
- 6. Bring ideas.** Are you the sales person bringing ideas or are you just asking for the sale? Many times money can be found for a good idea. Put this all together and I promise you, you will grow your territory and your sales.



**JOLENE GOODMAN**

*Vice President*

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Grimes Chamber & Economic Development celebrated a ribbon cutting for Kwik Star on Dec. 31.



Tim Moerman and Mike Smith at the West Chambers' Legislative Reception held at the Clive Community Center on Jan. 9.



Jason Van Engen and Dan Gehlbach at the West Chambers' Legislative Reception held at the Clive Community Center on Jan. 9.



The Norwalk Chamber hosted a ribbon cutting for RC Dermatology in Norwalk on Jan. 7.



The Waukeet Chamber presented a donation to Waukeet Christian Services at the Waukeet Chamber Luncheon held at the Waukeet Community Center on Dec. 19.



John Edwards and Jennifer Konfrst at the West Chambers' Legislative Reception held at the Clive Community Center on Jan. 9.



Meg Schneider and Kris Gregerson at the Windsor Heights Chamber lunch held at Gilroy's on Jan. 8.



Mark Densmore and Adam Kline at the Bondurant Chamber's Coffee and Conversation at BrickHouse Fitness on Jan. 13.



Jeff Reed, Ann Tiernan and Brian Tiernan at the Ankeny Young Professionals Winter Ball held at The District Venue on Dec. 19.



Jeanna Schultz and Ryan Moon at the West Chambers' Legislative Reception held at the Clive Community Center on Jan. 9.

SMALL BUSINESS ADMINISTRATION LOANS

Borrower Name	City	County	Cong. District	\$ Amount	Jobs Created	Jobs Retained	Existing Jobs	New vs. Existing	Business Type
ENRG, Inc.	Cedar Falls	BLACK HAWK	01	\$312,000	0	10	10	NEW BUSINESS	Electronics Stores
Professional Lawn Care, L.L.C.	WATERLOO	BLACK HAWK	01	\$566,000	4	0	8	EXISTING BUSINESS	All Other Personal Services
Donald J Fitzgerald	Manson	CALHOUN	04	\$1,930,000	1	13	13	EXISTING BUSINESS	All Other Specialty Trade Contractors
ACCUJET, LLC	PERRY	DALLAS	03	\$56,500	0	18	18	EXISTING BUSINESS	All Other Miscellaneous Waste Management Services
Insane Impact, LLC	Urbandale	DALLAS	03	\$1,089,800	0	12	12	EXISTING BUSINESS	Consumer Electronics and Appliances Rental
Ilma, LLC	Waukee	DALLAS	03	\$52,100	4	1	1	NEW BUSINESS	Fitness and Recreational Sports Centers
2 For U Properties, LLC	West Des Moines	DALLAS	03	\$1,300,000	15	0	32	EXISTING BUSINESS	Child Day Care Services
Pioneer Consulting, LLC	West Des Moines	DALLAS	03	\$500,000	35	15	85	EXISTING BUSINESS	Custom Computer Programming Services
MW COACHING LLC	WEST DES MOINES	DALLAS	03	\$10,000	1	1	1	NEW BUSINESS	Offices of All Other Miscellaneous Health Practitioners
HEH Enterprises, LLC	Milford	DICKINSON	04	\$225,100	2	9	9	EXISTING BUSINESS	Pet Care (except Veterinary) Services
Little Locust Learning LLC	Dubuque	DUBUQUE	01	\$469,000	17	0	25	EXISTING BUSINESS	Child Day Care Services
DMI LLC	Dubuque	DUBUQUE	01	\$400,000	4	3	3	EXISTING BUSINESS	Computer Facilities Management Services
Sully Community Locker, Inc.	SULLY	JASPER	02	\$90,000	1	0	7	EXISTING BUSINESS	Meat Markets
Bhatti, LLC 2	CORALVILLE	JOHNSON	02	\$450,000	10	60	98	EXISTING BUSINESS	Full-Service Restaurants
Northern Solutions, Inc.	IOWA CITY	JOHNSON	02	\$1,545,000	0	0	18	NEW BUSINESS	Plumbing, Heating, and Air-Conditioning Contractors
Northern Solutions, Inc.	IOWA CITY	JOHNSON	02	\$300,000	0	19	19	NEW BUSINESS	Plumbing, Heating, and Air-Conditioning Contractors
Fountain Fitness LLC	Sigourney	KEOKUK	02	\$215,000	4	4	4	NEW BUSINESS	Landscaping Services
BDC Group Inc.	CEDAR RAPIDS	LINN	01	\$1,100,000	2	13	13	EXISTING BUSINESS	Electrical Contractors
A-1 Rental, Inc.	Cedar Rapids	LINN	01	\$975,000	0	6	6	EXISTING BUSINESS	General Rental Centers
BDC Group Inc.	CEDAR RAPIDS	LINN	01	\$400,000	2	13	13	EXISTING BUSINESS	Electrical Contractors
Performance Therapeutics	CEDAR RAPIDS	LINN	01	\$100,000	4	2	2	EXISTING BUSINESS	Offices of All Other Miscellaneous Health Practitioners
A-1 Rental, Inc.	Cedar Rapids	LINN	01	\$50,000	0	6	6	EXISTING BUSINESS	General Rental Centers
Home Town Restlying LLC	HIAWATHA	LINN	01	\$1,542,200	7	50	50	NEW BUSINESS	Residential Remodelers
Top Tier Ii, LLC	Marion	LINN	01	\$2,008,900	1	11	11	NEW BUSINESS	Tire and Tube Merchant Wholesalers
CJCB, LLC	ALTOONA	POLK	03	\$68,600	0	5	5	NEW BUSINESS	All Other Miscellaneous Store Retailers (except Tobacco Stores)
Ankeny Pizza Ranch, L.L.C.	Ankeny	POLK	03	\$248,000	5	0	20	EXISTING BUSINESS	Limited-Service Restaurants
Dragonfly Management LLC	Ankeny	POLK	03	\$173,000	3	1	1	NEW BUSINESS	Other Personal Care Services
R and J Games Company, L.L.C.	Ankeny	POLK	03	\$166,000	3	0	0	EXISTING BUSINESS	Amusement Arcades
Mega St Kilda LLC	WEST DES MOINES	POLK	03	\$1,000,000	30	0	0	NEW BUSINESS	Full-Service Restaurants
Peisch, Inc.	Bettendorf	SCOTT	02	\$935,000	6	0	0	NEW BUSINESS	Soap and Other Detergent Manufacturing
Sahajanand Hospitality Group, LLC	DAVENPORT	SCOTT	02	\$2,250,000	2	6	4	NEW BUSINESS	Hotels (except Casino Hotels) and Motels
KNIGHT CHIRO & FUNCTIONAL HEALTH	LE CLAIRE	SCOTT	02	\$135,000	1	0	0	NEW BUSINESS	Offices of Chiropractors
Van Der Zwaag Properties, LLC	Hull	SIOUX	04	\$204,000	0	0	3	EXISTING BUSINESS	Automotive Body, Paint, and Interior Repair and Maintenance
CBE Midway Inc	Ames	STORY	04	\$1,350,000	0	35	35	EXISTING BUSINESS	Full-Service Restaurants
Schmitz Construction Inc.	Gladbrook	TAMA	01	\$175,000	0	2	2	EXISTING BUSINESS	Other Heavy and Civil Engineering Construction
Leigh Three LLC	OTTUMWA	WAPELLO	02	\$350,000	0	10	10	EXISTING BUSINESS	Home Centers

December 2019



FOR ALL YOUR BUSINESS CATERING NEEDS

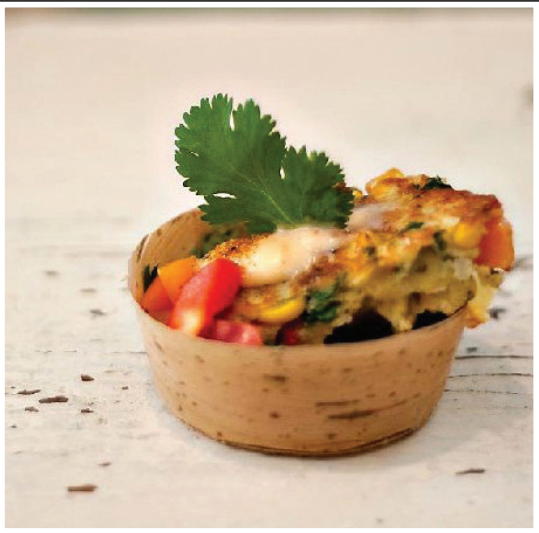
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