



## Daily Market Recap

S&P 500 ▲ +11.15    NASDAQ ▲ +21.56    DOW ▲ +53.91    10-YR T-NOTE ▲ +.03    CRUDE OIL ▲ +.80    GOLD ▼ -5.20  
 1,530.94    3,213.59    14,035.67    2.03%    \$96.66    \$1,603.60

# Plea on U.S. deficit: Find a fix now

Ex-Fed official Rivlin says Congress must end blame game, get to work

By Donnelle Eller  
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Alice Rivlin wants Republicans and Democrats to stop blaming each other for the federal deficit and start fixing it.

With \$85 billion in across-the-board cuts slated to ripple through the economy beginning March 1, the need for a solution is especially pressing, she said. "We've spent a lot of time with each party blaming the

other for the state of our federal budget," said Rivlin, former vice chairwoman of the Federal Reserve Board and a member of the Simpson-Bowles commission on fiscal reform. "We've got to stop playing the blame

game and get on to constructive policy."

Rivlin spoke to about 120 business and community leaders at a Greater Des Moines Partnership luncheon Tuesday. CEO Jay Byers said the event

was designed to offer bipartisan discussion on important issues.

A federal debt that's hit \$16.5 trillion and is growing will stifle U.S. investment in key areas like roads and education, Rivlin said.

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SEAN WILSON



A beet marshmallow is one of the delicacies offered by chef Sean Wilson at Proof in Des Moines. REGISTER FILE PHOTOS

DAVID BARUTHIO



Pheasant highlights a plate at David Baruthio's Baru 66 in Windsor Heights.

GEORGE FORMARO



George Formaro serves up mouthwatering dishes at Django, Zombie Burger + Drink Lab and Centro.

## Historic Rollins Mansion to reopen in March

The events center will host weddings, meetings and more

By Patt Johnson  
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The stately Rollins Mansion in Des Moines has been rehabbed and will open in March as an events center.

All or part of the mansion can be booked for wedding receptions, banquets, luncheons, business meetings, cocktail parties and dinners, said Jacqueline Phelan, the mansion's event coordinator.

The mansion can accommodate groups ranging from 60 to 300 people or more, depending on which parts of the house are used. Available areas include the main floor, lodge bar, banquet room, terrace and garden.

A group of investors bought the 18,000-square-foot home last spring and updated it. Most of the mansion was in good shape but needed to be brought up to current fire code, Phelan said. The home's original woodwork and some of the lighting are intact, she said.

The home, at 2801 Fleur Drive, is on the National Register of Historic Places. It was built by Ralph Rollins, owner of Rollins Hosiery Mills. Hubbell Realty owned the home before a group of investors bought it in

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## TOP OF THE FOOD CHAIN

Three D.M. chefs nominated for honors in recognition of their culinary skills

By Jennifer Miller  
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Three Des Moines chefs were named semi-finalists for the 2013 James Beard Foundation Awards, often described as the Oscars of the food world.

David Baruthio of Baru 66 in Windsor Heights and Sean Wilson of Proof in downtown Des Moines' Western Gateway area each received nods in the Outstanding Chef: Midwest category.

Baruthio is celebrating his second appearance on the Beard list. In 2011, his restaurant Baru 66 was named one of the country's top 20 best new restau-

rants, the first Iowa restaurant to garner the honor.

"That nomination has really opened doors for me. I have traveled and cooked with famous chefs and celebrity chefs," said Baruthio, who just learned of the honor Tuesday. "It has opened doors, created new friends and given me a new perspective on how valuable cooperating with other professionals is."

George Formaro, the chef/owner behind several popular spots including Centro, Django, Gateway Market and Zombie Burger, was named a semi-finalist in the Best Restaurateur category. This is Formaro's fifth nomina-

tion for an award.

Des Moines has fared well in making the list, especially for its modest size. Andrew Meek (while at Sbrocco, now at Gramercy Tap), Enosh Kelley (Bistro Montage), Steve Logsdon (Lucca), Jason Simon (Alba) and Carly Groben (formerly at Proof, now at the Prairie Canary in Grinnell) have had turns on recent lists.

This year's semi-finalists were selected from over 44,000 online entries in 20 categories. The finalists will be announced March 18 and are determined by a panel of more than 600 industry professionals. The panel will choose five nominees in each category.

## Justices seem to favor Monsanto in patent case

Patent law forbids making copies, which is what happened when seeds were planted, one says.

By Mark Sherman  
Associated Press

WASHINGTON — The Supreme Court appeared likely Tuesday to side with Monsanto Co. in its claim that an Indi-

ana farmer violated the company's patents on soybean seeds that are resistant to its weedkiller.

To protect its investment in their development, Monsanto has a policy that prohibits

farmers from saving or reusing the seeds once the crop is grown. Farmers must buy new seeds every year.

Vernon Hugh Bowman, 75, bought the expensive seeds for his main crop of soybeans, but decided to look for something cheaper for a risky, late-season soybean planting.

He went to a grain elevator

that held soybeans it typically sells for feed, milling and other uses, but not as seed.

Bowman reasoned that most of those soybeans also would be resistant to weed killers, as they initially came from herbicide-resistant seeds too. He was right, and he

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## Google's stock price breaks \$800, years after tumble shook leaders

By Michael Liedtke  
Associated Press

SAN FRANCISCO — Google's stock price topped \$800 for the first time Tuesday amid renewed confidence in the company's ability to reap steadily higher profits from its dominance of Internet search and prominence in the increasingly important mobile device market.

The milestone comes more than five years after Google's shares initially hit \$700. Not long after breaking that barrier in October 2007, the economy collapsed into the worst recession since World War II, and Google's stock tumbled into a prolonged malaise that eventually led to a change in leadership.

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## Business Watch

From Register staff and news services

### Corporate deals buoy Wall Street

Talk of more deal-making sent stock prices higher on Tuesday.

Reports that Office Depot and OfficeMax are discussing a merger came after several big corporate deals were announced in recent weeks.

Meanwhile, the price of oil also rose Tuesday, continuing a run-up that began two months ago.

Benchmark crude for March delivery rose 80 cents to finish at \$96.66 on the New York Mercantile Exchange. Oil prices have been rising since mid-December, when oil traded around \$87 a barrel.

### Homebuilder confidence ebbs

Homebuilder confidence slipped a bit in February, the National Association of Home Builders said Tuesday.

The National Association of Home Builders/Wells Fargo Housing Market Index slid 1 point from January, to 46, the association said.

The index remains near its highest level since 2006.

### So long, Hotmail; Outlook.com is on the march

Microsoft is so confident it has the Internet's best email service that it is about to spend at least \$30 million on a marketing campaign to send its message across the U.S.

The barrage began Tuesday when Microsoft's twist on email, Outlook.com, escalated an assault on rival services from Google Inc., Yahoo Inc., AOL Inc. and others.

As part of the process, all users of Microsoft's Hotmail and other email services operating under different domains such as MSN.com will be automatically converted to Outlook.com by the summer, if they don't voluntarily switch before then. All the old messages, contacts and settings in the old inboxes will be exported to Outlook.com. Users will also be able to keep their old addresses.

Outlook.com will be featured in ads running on prime-time TV, radio stations, websites, billboards and buses. The campaign will run for at least three months.

### Judge OKs \$1 billion in penalties for Transocean

A federal judge on Tuesday approved Transocean Ltd.'s agreement with the Justice Department to pay \$1 billion in civil penalties for its role in the massive April 2010 oil spill in the Gulf of Mexico.

U.S. District Judge Carl Barbier said in his ruling that he found "no just reason for delay" in approving the civil settlement.

Transocean owned the Deepwater Horizon drilling rig, which exploded and sank over BP's Macondo well. The accident killed 11 rig workers and spawned the nation's worst offshore oil spill.

## Stocks of Iowa Interest

	Close	Change	INTL FcSt		
AT&T	35.67	+0.31	IBM	200.32	-0.66
Aegon	6.85	+0.02	Lee Enterprises	1.36	...
Alcoa	9.06	-0.26	Lennox	59.00	-0.37
Alliant Energy	48.02	+1.08	Marsh & McLennan	36.28	+0.16
American Equity Life	13.86	+0.11	Meredith	43.40	+1.49
Ames National Corp	21.98	+0.38	MetaFinl	23.04	+0.06
Archer Daniels	33.08	+0.51	MidWestOne	22.87	+0.02
Arts Way	7.10	+0.01	Monsnto	101.89	-1.62
Aviva	11.44	+0.19	NewLink	12.42	+0.10
Bank of America	12.19	+0.16	PepsiCo	75.50	+1.82
BerkH B	101.02	+1.25	Principal Financial	32.28	+0.59
BonTon	11.47	-0.15	Procter & Gamble	77.38	+0.84
Caseys	56.42	+0.99	Regions Financial	7.96	+0.11
CntryLink	34.14	+1.12	RenewEn	7.77	+0.51
Citigroup	44.50	+0.66	Rockwell Collins	59.12	+0.02
ConAgra	33.45	-0.28	Sauer-Danfoss	55.50	-0.06
Darling	17.00	+0.25	SearsHldgs	48.54	+1.21
Deere	90.37	+0.62	Smithf	23.71	+0.55
DuPont	47.18	+0.24	Target	61.87	+0.16
EMC Insurance Group	27.00	+0.91	3M	104.18	+0.95
EmersonEI	58.56	+0.27	Tyson	24.13	+0.12
Exxon Mobil	89.32	+0.96	Union Pacific	137.53	+0.70
FBI Financial	36.72	+0.28	UtdFire	24.81	+0.85
Flexsteel	23.00	+0.02	United Parcel	84.76	+1.28
FordM	12.99	-0.03	US Bancorp	34.08	+0.17
Gannett	20.55	+0.39	ValeroE	47.73	+0.44
GreenPlns	9.88	+0.21	Wal Mart	68.76	-0.54
HNI Corp	33.07	+0.66	Wells Fargo	35.14	-0.02
Heartland Express	13.86	+0.02	West Bank	11.03	-0.05
Heartland Financial	23.71	+0.18	Whrlpl	112.61	+1.28
Hormel	36.54	+0.46	Windstrm	8.94	+0.01
ING	8.95	+0.21	Winnebago	18.65	+0.27

### COMMODITIES

The price of natural gas jumped 3.8 percent on expectations that colder weather may mean more demand for heating. That is its biggest jump in more than five weeks. Crude oil rose.



	Close	Pvs.	%Chg	%YTD
<b>FUELS</b>				
Crude Oil (bbl)	96.66	95.86	+0.83	+5.3
Ethanol (gal)	2.37	2.35	-0.13	+8.0
Heating Oil (gal)	3.18	3.21	-0.93	+4.5
Natural Gas (mm btu)	3.27	3.15	+3.77	-2.4
Unleaded Gas (gal)	3.12	3.13	-0.42	+11.0
<b>METALS</b>				
Gold (oz)	1603.60	1608.80	-0.32	-4.3
Silver (oz)	29.41	29.84	-1.43	-2.5
Platinum (oz)	1697.50	1677.70	+1.18	+10.3
Copper (lb)	3.64	3.73	-2.32	+0.1
Palladium (oz)	763.75	752.75	+1.46	+8.7
<b>AGRICULTURE</b>				
Cattle (lb)	1.26	1.26	-0.08	-2.7
Corn (bu)	6.95	6.99	-0.50	-0.4
Cotton (lb)	0.82	0.81	+1.06	+9.4
Lean Hogs (lb)	0.83	0.84	-1.42	-3.1
Lumber (1,000 bd ft)	389.80	399.80	-2.50	+4.3
Orange Juice (lb)	1.24	1.29	-3.53	+7.1
Soybeans (bu)	14.70	14.25	+3.21	+3.6
Wheat (bu)	7.32	7.42	-1.35	-5.9

### FUTURES

Futures trading on the Chicago Board of Trade:

#### SOYBEANS

5,000 bu minimum - cents per bushel

	Open	High	Low	Settle	Chg
Mar 13	1432.50	1474.25	1432.25	1470.25	+45.75
May 13	1421	1459.75	1421	1457.25	+42.50
Jul 13	1414	1446.75	1411.50	1445.50	+40.75
Aug 13	1376.75	1406	1376.75	1403.75	+34.75
Sep 13	1314.75	1333.75	1314.75	1330	+25

Fri's sales 194258

Fri's open int 634214, up 7225

#### CORN

5,000 bu minimum - cents per bushel

	Open	High	Low	Settle	Chg
Mar 13	701	703.25	691	695.25	-3.50
May 13	699	700.50	688.25	692	-5
Jul 13	686.25	688.25	676.75	680.25	-5
Sep 13	581.75	584	574.50	577.75	-4.50
Dec 13	564.50	565.25	555.50	557.75	-5.25

Fri's sales 266271

Fri's open int 1307338, up 3240

### FOR IOWA REGIONAL CASH GRAIN PRICES,

go to <http://1.usa.gov/J1ZQWT> or call (800) 383-3755

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## DEBT

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Servicing the debt will "squeeze out the things we need to do to grow the economy," said Rivlin, who appeared with David Vautd, the state auditor, and Sara Imhoff, Midwest director of the Concord Coalition, a grass-roots group dedicated to fiscal responsibility.

Rivlin and Vautd said the U.S. recovery is too fragile to take a hit from the Budget Control Act cuts. "It's a big mistake for a lot of reasons," Rivlin said. "It was supposed to force them to come to grips over a big problem. It was never supposed to happen."

National leaders still have an opportunity to "put our debt on a sustainable track," said Rivlin, who also co-led the Bipartisan Policy Center's Debt Reduction Task Force. "I don't actually mean a balanced budget, because doing that quickly would be quite punishing to the economy. But we've got to get to a point where our deficit is small enough — 1 or 2 percent of the gross domestic product —

where the debt isn't growing faster than the economy."

The federal debt now is about 70 percent of the U.S. GDP, said Concord's Imhoff.

Rivlin said Democrats blame former President George W. Bush for "starting two wars without raising taxes and adding prescription drugs to Medicare." And Republicans blame President Barack Obama for taking "federal spending to new heights and record debt."

"There's truth to all of these allegations, but they're also irrelevant," said Rivlin, a senior fellow of economic studies at the Brookings Institution. "The things that we're blaming are mostly temporary and they're things that both parties supported."

"The things blamed for the past increases are basically behind us," Rivlin said. "What's not behind us, and what's driving federal spending as we look ahead, is the fact that we're getting older."

"We've promised to seniors benefits under Medicaid, Medicare and Social Security that are getting more expensive, because there are more seniors."

Baby boomers are retiring,

with about 10,000 senior citizens entering federal programs a day, Imhoff said.

"We knew that and we didn't take the proper measures in time, but it's happening," Rivlin said.

It's compounded by the fact that the cost of health care is increasing rapidly.

"What's driving the federal budget as you look ahead — not these blame-game things — but the aging population and the expensive health care system."

Without a change in policy, federal spending will rise faster than the economy can grow. "If spending is growing faster than the economy is growing ... you're in trouble," she said.

Rivlin compared the budget situation to Americans having a credit card with low interest rates and no cap on spending.

Vautd, the state auditor, said the country will not solve its fiscal problems by cutting spending or raising revenue alone. "We can't cut or tax ourselves out of the hole. We need a comprehensive plan," he said, adding that reforming the nation's tax code will make the system fairer and raise revenue to reduce the debt.

## MANSION

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2009 and used it for fundraising events and parties. Before that, the mansion housed offices. It has nine bedrooms, eight bathrooms and five fireplaces. It sits on 1.86 acres.

Another Des Moines architectural gem, the former Iowa governor's mansion, also is being renovated for use as an event center. John Beard bought the 5,470-square-foot house at 2900 Grand Ave. earlier this year from the Iowa Girls High School Athletic Union, which had owned and occupied the building for 36 years. The home was built by businessman W.W. Witmer in 1903 and later housed Iowa governors from 1949 to 1976, when it was sold.

Beard is living in the house during the renovations. He plans to use the first floor to host events for up to 100 people.



The Rollins Mansion can be rented for wedding receptions, banquets, luncheons, business meetings, parties and more. SPECIAL TO THE REGISTER

The Rollins Mansion owners will hold an open house from 10 a.m. to 3 p.m. March 2 to show off the house and showcase

some preferred catering vendors. Call 657-7288 or visit [www.rollinsmansion.com](http://www.rollinsmansion.com) or find it on Facebook.

## SEEDS

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repeated the practice over eight years. In 2007, Monsanto sued and won an \$84,456 judgment.

The issue for the court is how far the patents held by the world's largest seed company extend. More than 90 percent of American soybean farms use Monsanto's Roundup Ready seeds, which first came on the market in 1996.

The case is being closely watched by researchers and businesses holding patents on DNA molecules, nanotechnologies and other self-replicating technologies.

Across the court's conservative-liberal divide, justices expressed little sympathy for Bowman's actions.

Justice Stephen Breyer said

### OTHER FIGHTS

Consumer groups and organic food producers have fought Monsanto over genetically engineered farm and food issues in several settings. They lost a campaign in California last year to require labels on most genetically engineered processed foods and produce. Monsanto and other food and chemical companies spent more than \$40 million to defeat the ballot measure.

Bowman could make many uses of the soybeans he bought from the grain elevator. "Feed it to the animals. Feed it to your family or make tofu turkey," Breyer said.

But patent law makes it illegal for Bowman to plant them. "What it prohibits here is making a copy of the patented invention and that is what he did," Breyer said.

Mark Walters, Bowman's

lawyer, tried to focus the court on the claim that Monsanto has used patent law to bully farmers.

"What they are asking for is for the farmer to assume all the risk of farming, but yet they can sit back and control how that product is used," Walters said.

Monsanto lawyer Seth Waxman said the company put 13 years and hundreds of millions of dollars into developing herbicide-resistant seeds.

"Without the ability to limit the reproduction of soybeans containing this patented trait, Monsanto could not have commercialized its invention and never would have produced what is now the most popular patented technology" in farming, Waxman said.

The Obama administration also is backing the company.

A decision is expected by June.

## GOOGLE

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Besides enriching Google's employees and other shareholders, the company's resurgent stock is an implicit endorsement of co-founder Larry Page. He replaced his managerial mentor, Eric Schmidt, as CEO in April 2011. Google's stock has risen by about 35 percent since Page took over. By contrast, the Standard & Poor's 500 index has climbed by 15 percent over the same stretch. Most of Google's gains have occurred in the past seven months.

In morning trading, Google's stock was at \$801.99, up 1.2 percent, or \$9.10.

The significance of crossing the \$800 threshold is largely symbolic. If Google had its way, the stock wouldn't even be priced near these levels. The company, which is based in Mountain View, Calif., had hoped to split its stock last year in a move that would have at least temporarily halved the trading price by doubling the total number of outstanding shares. But the proposed stock split was put on hold until Google resolves a shareholder lawsuit alleging that the stock split unfairly cedes too much power to Page and fellow co-founder Sergey Brin. Page and Brin have been the company's largest shareholders since its inception. A trial on the lawsuit is

scheduled to begin June 17 in a Delaware state court.

Assuming more investors wouldn't have bought the stock had it split, the company's market value probably wouldn't have changed from its current level of about \$265 billion.

There is little dispute among analysts that Google appears well positioned for many years of prosperity. The reasons: Its Internet search engine remains the hub of the Web's biggest marketing network; its YouTube video site has established itself as an increasingly attractive advertising vehicle; and its free Android software is running on more than 600 million smartphones and tablet computers to create even more opportunities to sell ads.

The lower prices attached to mobiles ads have raised recurring concerns on Wall Street about the decline in the average rate paid for ads that run alongside Google's search results. The company, though, is trying to reverse the trend with upcoming changes to its ad system that will prod more marketers to buy mobile ads when they are creating campaigns for desktop and laptop computers.

Although Google weathered the Great Recession better than most companies, its revenue growth slowed and its stock plummeted to as low as \$247.30 near the end of 2008.

Things looked so bleak in 2009 that Google took the rare step of repricing stock options

that had been doled out to its employees to give them a chance to make more money when the shares rebounded. The program allowed Google workers to swap their old stock options for new ones with an exercise price of about \$308.

Even after the economy snapped out of the recession toward the end of 2009, Google's stock began to lag the rest of the market. Investors began to wonder if the company was losing its competitive edge as it morphed from a hard-charging startup to giant organization.

At the same time, Facebook was emerging as the Internet's fastest-growing company in a meteoric rise. The social networking company had some people convinced it would eventually become a more important advertising vehicle than Google's search engine.

Perceptions have changed since Page became CEO. Under Page's leadership, Google has streamlined its decision-making and operations while closing dozens of services. It established its own toehold in social networking with the 2011 introduction of Google Plus.

Meanwhile, Facebook Inc. has lost much of the luster that made its initial public offering of stock one of the biggest in U.S. history. Since going public at \$38, Facebook's stock has sunk 25 percent.

By contrast, Google's stock has never slipped below its August 2004 IPO price of \$85.