IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

68-0157 (9-06) - 3091078 - EI

Claimant: Respondent (1-R)

JEFFREY D BRICKER Claimant APPEAL NO. 07A-UI-09962-CT ADMINISTRATIVE LAW JUDGE DECISION JAM PUBLISHING INC Employer OC: 06/10/07 R: 01

Section 96.3(5) – Duration of Benefits

STATEMENT OF THE CASE:

Jam Publishing, Inc. filed an appeal from a representative's decision dated October 19, 2007, reference 02, which allowed a re-determination of benefits for Jeffrey Bricker on a finding that he was unemployed due to a business closing. After due notice was issued, a hearing was held by telephone on November 19, 2007. Mr. Bricker participated personally and offered additional testimony from Craig Clark, Deb Griggs, and Dawn Davis. The employer participated by Matt Ewing, President/CEO.

ISSUE:

At issue in this matter is whether Mr. Bricker is unemployed due to his employer going out of business.

FINDINGS OF FACT:

Having heard the testimony of the witnesses and having reviewed all of the evidence in the record, the administrative law judge finds: Mr. Bricker began working for Jam Publishing, Inc. in April of 2005. He was employed full time as creative director. He was notified on June 4, 2007 that his position was being eliminated as the employer was down-sizing. No other reason was given for the separation.

Although there were financial difficulties when Mr. Bricker left the employment, the employer did not decide to close the business until approximately September 19, 2007. Jam Publishing, Inc. no longer exists as a business entity at the location where Mr. Bricker was last employed.

Mr. Bricker is currently working with at least one former coworker to start his own business. Office space has been rented and a telephone installed. Mr. Bricker devotes some time each week to his self-employment endeavor.

REASONING AND CONCLUSIONS OF LAW:

The issue in this matter is whether Mr. Bricker is unemployed due to his employer going out of business. It is undisputed that Jam Publishing, Inc. has closed its doors and no longer exists as

a business entity at the location where Mr. Bricker was last employed. Therefore, there was a business closing as defined by 871 IAC 24.29(2). The issue then becomes whether Mr. Bricker's unemployment is due to the business closing. He was discharged in June due to down-sizing. The down-sizing was due directly to financial difficulties the company was experiencing. The financial difficulties continued until a decision was made in September to close the business.

The administrative law judge appreciates that Mr. Bricker was not employed by Jam Publishing, Inc. when the decision was made to close the business. However, the same financial problems that caused his separation in June continued until the eventual business closing in September. The down-sizing was, in essence, the beginning of the end of the business. Based on the above factors, the administrative law judge concludes that Mr. Bricker is unemployed due to a business closing within the intent of Iowa Code section 96.3(5). For the above reasons, he is entitled to have his claim re-determined.

Mr. Bricker is devoting time and efforts to becoming self-employed. He has rented office space and has an office telephone. This matter shall be remanded to Claims to investigate his availability for work given his self-employment efforts.

DECISION:

The representative's decision dated October 19, 2007, reference 02, is hereby affirmed. Mr. Bricker is entitled to have his claim re-determined because he is unemployed due to a business closing within the meaning of the law. This matter is remanded to Claims to investigate Mr. Bricker's availability for work.

Carolyn F. Coleman Administrative Law Judge

Decision Dated and Mailed

cfc/css