FILED
JUN 30 1978
CLERK SUPREME COURT

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IN THE COURT OF APPEALS OF IOWA

RONALD CADMAN,

Claimant-Petitioner-Appellee,

v.

CRAIG TVEDTE d/b/a TWEETER'S LOUNGE,
Employer-Defendant-Appellant,
and

THE WESTERN CASUALTY & SURETY COMPANY,
Insurance Carrier-Defendant-Appellant,
and

ROBERT C. LANDESS, Iowa Industrial Commissioner,
Respondent.

Filed June 30, 1978

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2-61188

Appeal from Dickinson District Court - Charles H. Barlow, Judge.

The employer and insurance carrier appeal judgment of district court reversing final decision of the Industrial Commissioner that petitioner was not an employee. Reversed and remanded.

Claire F. Carlson, of Kersten, Opheim, Carlson & Estes, Fort Dodge, for appellant.

Robert L. Ulstad, of Ulstad, Guinan & Cornell, Fort Dodge, for appellee.

Richard C. Turner, Attorney General, and Lee Jackwig, Assistant Attorney General, for respondent.

Heard by Allbee, C.J., Donielson, Snell, Oxberger and Carter, JJ.

PER CURIAM

The defendants, employer and insurance carrier, appeal from judgment of the district court reversing the final decision of the Iowa Industrial Commissioner that petitioner, Ronald Cadman, was not an employee of the defendant Tvedte. The trial court found that Cadman was Tvedte's employee and ordered payment of appropriate worker's compensation benefits.

The decision on appeal involves a single issue. This is whether the trial court applied an improper standard of judicial review of agency action under § 17A.19(8)(f), The Code, in reversing the final order of the Commissioner. The test to be employed is whether the employer and insurance carrier have been prejudiced by agency action which is "unsupported by substantial evidence in the record made before the agency when that record is viewed as a whole." City of Davenport v. Public Employees Relations Board, 264 N.W.2d 307, 311 (Iowa 1978).

In reviewing the agency decision pursuant to this test, we must conclude that the final agency decision is supported by substantial evidence in the record before the Commissioner when that record is viewed as a whole. While the issue is close and the evidence does not compel the result reached by the Commissioner, a reasonable mind could accept the evidence as adequate to support the administrative finding that Cadman was an independent contractor and not Tvedte's employee.

Evidence is substantial when a reasonable mind would accept it as adequate to reach a conclusion. City of Davenport v. Public Employees Relations Board, supra, at 311. The possibility of drawing two inconsistent conclusions from the evidence does not prevent an administrative agency's finding from being supported by substantial evidence. Reisner v. Board of Trustees, 203 N.W.2d 812, 814 (Iowa 1973).

We accordingly hold that the trial court erred in its order reversing the Commissioner. The decision of the trial court is reversed and the cause remanded for entry of an order pursuant to § 17A.19(8), The Code, affirming the agency action.

REVERSED AND REMANDED.