

Schneider Downs bids to move up, Seals deal for BKR Longanbach
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A Pittsburgh accounting firm that established a Central Ohio beachhead 16 years ago to service its account with Ricart Automotive Group is getting bigger in the region.

Schneider Downs & Co. Inc. is acquiring BKR Longanbach Giusti LLC, a 26-year-old Columbus accounting firm founded by Neal Longanbach and Thomas Giusti. Terms of the deal, which is expected to be completed in September, aren't being disclosed.

The deal gives Schneider Downs the means for continued market development and it provides an exit strategy for Longanbach and Giusti, both in their mid-60s. The combined firm will retain the Schneider Downs name.

"We've always looked to increase our presence in Columbus," said Joseph J. Patrick, chairman of Schneider Downs' Columbus operating committee. "And we're looking at Columbus now as being our growth market. We're committed to this community and we're looking for ways to serve the community."

The combined firm will boast a professional staff of about 65 workers, with 80 total employees and 2005 fees nearing \$8 million. Schneider Downs employs almost 300 workers between its Pittsburgh and Columbus offices.

The combination will bring Schneider Downs staff size on par with the Columbus offices of American Express Tax & Business Services, GBQ Partners LLC and Plante & Moran LLC.

Schneider Downs leases space on the 15th floor of the One Columbus high-rise at 10 W. Broad St. Longanbach Giusti leases space on the 14th floor of the LeVeque Tower next door.

Patrick and Doug Mayr, another Schneider Downs shareholder, said the new firm will need more room - as much as 24,000 square feet - to accommodate the larger staff.

"We're looking at our options," Mayr said. "We're looking at reconfiguring this floor plan, but we're also looking at other offices in the Capitol Square area. We definitely want to stay downtown."

Warm reception

Schneider Downs and Longanbach Giusti have experience in the construction and manufacturing industries, but Longanbach Giusti brings expertise in real estate and the gas and oil industries.

"They've given us every confidence that we'll be fully integrated into Schneider Downs," Longanbach said. "We talked with other firms, but we didn't get the reception from them that we got at Schneider Downs. It's a great company to deal with, and they are very interested in growth."

Other Longanbach Giusti partners joining Schneider Downs will be Ronald Kuck, Jamie McKenna and Jay Meglich. A sixth partner, John W. Hornberger, is leaving the practice.

Inside Public Accounting, a newsletter that tracks the accounting industry, ranks Schneider Downs the 60th-largest accounting firm in the nation with 2004 revenue of \$26.6 million, up 10 percent from 2003.

Accounting firms the size of Schneider Downs typically look for acquisitions as a means to extend expertise, build market presence and gain staff, said accounting analyst Arthur Bowman of Atlanta, but he thinks Longanbach Giusti had few alternatives to a sale, given the founding partners' approaching retirements.

"The majority of Longanbach Giusti's partners is in the latter stages of their professional careers, and no new leadership is in place," Bowman said. "The remaining partner group and staff (would be) too small to fund their retirement. Selling was the only way out."