

FINANCIAL SERVICES

McEvoy & Co. latest target for Austin accounting firm

BY CHRISTOPHER CALNAN AND CHRISTINE HALL
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J. Chase McEvoy Jr. wasn't shopping around his small Houston accounting firm, but PMB Helin Donovan LLP made an offer he couldn't refuse.

McEvoy & Co., which has 15 employees, is being acquired by Austin-based PMB Helin Donovan, a much larger firm with a staff of 54, and a small office in Houston. Financial terms of the deal were not disclosed.

The timing was right for the deal, said McEvoy, the firm's president.

As the accounting industry becomes more complex due to new regulatory requirements and restrictions, he said the drag on the firm's resources has been "overwhelming." The firm is also reacting to increased client needs.

"We are all faced with increasing technical obligations as part of our business," McEvoy said. "As we keep expanding, we need more resources, especially in the specialty areas."

One of PMB Helin Donovan's specialty areas is its work as a Public Company Accounting Oversight Board-registered firm, meaning it can perform public company-level audits. That is something McEvoy's firm has not been able to do.

McEvoy & Co., founded in 1978, provides tax, accounting and business consulting services. All McEvoy employees will become part of PMB Helin Donovan, giving the larger company about 20 employees in Houston, said Managing Partner Tom Wilkinson.

Because of the additional workers, PMB Helin Donovan is expanding its existing Houston office, which opened in 2006, while retaining McEvoy's Galleria-area office.

"One of the most important aspects of maintaining the two offices is convenience to our personnel," Wilkinson said. "Neither space could accommodate 100 percent of the personnel."

As PMB Helin Donovan completes more mergers, Wilkinson said it will end up with a



McEvoy

THE DEAL AT A GLANCE

Austin accounting firm PMB Helin Donovan LLP is acquiring Houston-based McEvoy & Co.

FIRM: McEvoy & Co.
TOP EXEC: J. Chase McEvoy Jr., president
HQ: Houston
EST.: 1978
EMPLOYEES: 15

FIRM: PMB Helin Donovan LLP
TOP EXEC: Tom Wilkinson, managing partner
HQ: Austin
EST.: 2000
EMPLOYEES: 54, including 5 in Houston

central office and satellite offices for clients and staff.

McEvoy plans to stay on with the combined firm.

"This is probably going to be the hardest year of my career, to help make the transition," he said.

Meanwhile, PMB Helin officials expect the McEvoy deal to be the first in a series of acquisitions toward a long-term goal of becoming the first Austin accounting firm to be one of the 100 largest in the nation.

PMB Helin Donovan, the fourth-largest Austin-based accounting firm, plans to acquire more firms with 10 to 20 employees apiece in the Western U.S. to build out its national footprint and produce annual revenue of more than \$30 million, Wilkinson said.

It is ranked as the Texas capital's second-largest locally based accounting firm, according to *Austin Business Journal* research.

"This is sort of the breaking-out time for us to do this," Wilkinson said.

PMB Helin Donovan formed when Austin-based Helin, Donovan, Trubee & Wilkinson LLP acquired San Francisco-based Pohl, McNabola, Berg & Co. LLP. The firm now claims clients in more than 30 countries and more than 100 workers in seven offices. ■

CHRISTOPHER CALNAN is a reporter with the Austin Business Journal.

chall@bizjournals.com • 713-395-9635