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CLOSE-UP: WAYNE PINNELL

OC accounting, consulting firm adds San Diego office

By BRIE IATAROLA, Special to the Daily Transcript

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Year-round tax deadlines, complicated audits and the threat of a recession do not faze Wayne Pinnell.

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For nearly 13 years, the 44-year-old managing partner of Irvine-based **Haskell & White LLP** has thrived in an environment devoted to accounting and consulting, and helped build the firm's audit practice by extending services to the manufacturing, distribution and technology sectors.

"I was with another firm for 10 years before Haskell & White approached me through a recruiter," Pinnell said. "They wanted me to expand the firm's sphere of influence. Back then, their focus was on doing taxes for the real-estate industry, but (they) were looking to branch out into other areas. ... It was a risk that I took that I think has paid off quite well."

So well, in fact, that nowadays Haskell & White ranks as one of Orange County's largest accounting and consulting companies that offers services in tax consulting, planning, mergers, acquisitions, audits and Securities Exchange Commission-related issues, and employs 80 people (including 10 partners).



Wayne Pinnell

Pinnell's success as a managing partner reaches beyond earnings and profit margins, however. Throughout his career, he also has gained insight that he applies to his everyday workload.

"Management requires a lot of time devoted to people -- watching, listening, building consensus," he said. "I have learned a ton of business skills in negotiating, and am continuing to learn lessons ... in people management (and) public-relations vision casting. All the while, I have to continue to prioritize."

One of Pinnell's priorities includes monitoring the progress of Haskell & White's newest addition, a San Diego office that opened in January and aims to cater to the needs of public and private middle-market firms. It is the first time the company, which will celebrate its 20th anniversary in fall, has set up shop beyond Orange County, where representatives have been appointed as independent registered public accountants conducting audits for big-name companies such as **CorVel Corp.** (Nasdaq: CRVL), **Bridgford Food Corp.** (Nasdaq: BRID)

and **Cortex Pharmaceuticals** (Amex: COR).

"We have a lot of people here with expertise that we feel is on par with many of the larger firms out there," Pinnell said. "However, a major difference is the time our upper management spends with our clients with overall lower rate structures than those at larger firms. We believe this provides more value for our clients' fee dollars."

Testing the waters

With contacts and a client base already established in San Diego (although current contract terms prevented him from revealing which ones), Pinnell said the firm decided the timing was perfect to venture south and set the stage to bring "the value of experience" to other cities throughout Southern California.

"It is an expansion idea that we had considered for a while," he added. "Once we did some demographic review, we realized that San Diego and Orange County have many attributes in common. ... The population of the two counties is fairly similar, the growth rate of the economies is practically the same, and there is a fair amount of industry overlap" in real

estate, biotechnology and technology.

What Haskell & White hopes is that the similarities help double revenues (though Pinnell declined to release any figures) by 2009, as well as increase opportunities for staff associates. This type of growth seems to defy the current economic climate, in which other industries have struggled to survive by tweaking budgets, slashing work forces, outsourcing and abandoning plans for expansion.

"The economy overall is one to look at with an eye of caution, given the mortgage crisis, fuel prices and other uncertainties," Pinnell said.

Even so, he remains optimistic.

"The accounting industry is somewhat recession-proof in that our services are needed by companies in good and bad times due to regulations and covenants with lending institutions," he said. "For example, our client load may shift as some sectors of our industry focus will be slower -- such as the homebuilders -- and will not have the need, or perhaps the available cash flow, for services of a planning or on-compliance nature."

In other words, Haskell & White has options. It draws sufficient return from various sources, including nonprofits such as arts and private-school entities, software developers, semiconductor producers, and manufacturing and distribution companies.

And after conducting countless audits, Pinnell -- who graduated with a bachelor of science and arts in administration from Seton Hall University -- has a few words of advice for both for-profit and nonprofit industries that want to be efficient and cost-effective:

"A key is to look at the core strengths of the people in the organization and identify the gaps," he said. "When the gaps are identified, consideration should be given to hiring to fill those gaps or outsource to professionals who have the prerequisite experience. Tasks that are 'routine' should be delegated to the right level in the organization -- if not outsourced entirely.

"When outsourcing, though, companies do need to periodically review the services they are receiving versus the dollars being paid to make sure the value proposition stays intact."

The idea of value plays an important role in Haskell & White's expansion, and not just in a profit-minded sense. Ever since co-founder Steve Haskell lost his battle to lung cancer in September 2005, the firm has made charitable contributions to the American Lung Association and embraced the goal to giving more back to society. The Orange County arts community has recognized the firm six times for its volunteer efforts and monetary contributions to several community theater programs.

"We like (our co-workers) to be involved," Pinnell said. "We're not about joining boards just to be on boards. ... We have a 'Casual for a Cause' program we run on Fridays where our people dress down ... even further to jeans and shorts ... in exchange for making donations to the charity we sponsor that month."

For San Diego, with a little bit of time, Haskell & White could end up bringing more to the city than accounting and consulting experience.

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