SUCCESS
IS A RIDDLE, SOLVED

How Cohen & Company Founder Ron Cohen uniquely built a CPA firm like no other

ALSO INSIDE:

ALL ABOUT HORSE POWER
Schneiders has thrived by capturing market opportunities through innovation

STRONG FOUNDATIONS
How a lifetime of philanthropy has led Hank Doll to his next chapter of giving back

PRESERVING THE PAST, ADAPTING TO THE FUTURE
Staying true to its roots while minding the market guides the success of Wendell August Forge
This year marks the 40th anniversary of Cohen & Company. We are so proud of our history and humbled to have such a strong position in the markets we serve. Our success is driven by the success of our great clients. This issue of Taxonomies features Stan and Eric Schneider of Schneiders, Will Knecht of Wendell August Forge, and Hank Doll, a career philanthropist — just a few of the many clients who have been with us since our earliest days.

In the spirit of celebration, and in keeping with our publication’s mission to feature iconic and charismatic leaders, we also take an up-close-and-personal look at Ron Cohen. His story is of course our story, like only he can tell it.

I can’t help but reflect on what it took to get the firm to where it is today — Ron’s vision to advocate for entrepreneurs and private companies, the values he instilled in all of us, and the many years of hard work he and others happily endured. We are so grateful for and respectful of our past and the foundation of technical excellence, client focus and leadership Ron has given us. I hope you enjoy our special issue.

I usually don’t get much “air time” in this publication, but since our 40th anniversary is such a special occasion, I’ve been given the opportunity to write this preface and to be the subject of a feature story. My cup runneth over. If someone had asked me 40 years ago what this firm would look like, I would have said that I had no doubt we would grow, both in people and geography, but that our culture likely would be very different. I am proud to say I was quite wrong about the latter. I never imagined we could have accomplished all of this and still hold close the same ideals and culture we started with in 1977.

If I contemplate today where Cohen & Company will be in another 40 years, I know the sky is the limit. I mean that wholeheartedly. The leaders of this firm have been such careful stewards of what we set out to create many years ago, always putting quality, integrity, client service and staff development before growth and profitability. I am a grateful founder and know the firm’s future is quite bright. I am sincerely thankful for that and look forward to all that is still to come.
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WHAT THE SQIF? AN UNCOMMON COMMUNITY
Why Cohen & Company employees came and stayed — and what surprised them the most
Planning for business succession is a vital discipline to help keep organizations running smoothly, and ideally thriving, from one regime to the next. Building a plan for the future boosts confidence in customers, employees, investors and lenders.

The key to success is to start early, particularly considering today’s demographics. According to the Pew Research Center, 10,000 baby boomers will reach age 65 every day until 2029. As they retire they will take with them invaluable skills and knowledge. Aging boomers, many at the top of the organizational chart, must strategically build the next generation of leadership as they contemplate the right time to step away.

Succession planning is tough work to say the least, with a myriad of practical and emotional issues to consider. Cohen & Company CEO Randy Myeroff shares best practices from more than 30 years of helping private company leaders successfully plan their exit.

Taxonomics: What does the term succession planning really mean?

Myeroff: Succession can take on many different forms, but involves a transfer of some combination of ownership, leadership and skills. The mistake many make is to think of succession planning as a single event where an owner chooses a candidate when the time is right, and then he or she takes the reins at a certain date. This approach often misses the broader picture. Unless an owner is going to sell to a strategic buyer with a ready-made leadership team (which seldom happens), effective succession planning must be a holistic process. It’s a philosophy and a way of operating the business well before actual ownership succession.

Taxonomics: Explain what you mean by a holistic process.

Myeroff: Leadership succession applies broadly across a company’s team to include aptitudes and skill sets at all levels. Organizations that do succession planning the best will build a culture focused on training, mentoring and creating depth throughout the organization. They will leverage leadership responsibility and authority from the top down and create an environment where mistakes are part of the process and employees are comfortable sharing and learning. When a leadership position comes open, whether voluntarily or involuntarily, a natural successor likely will be ready to step up. This approach increases the odds of success, and ultimately drives organizational value.

Taxonomics: Is that how Cohen & Company has operated all these years?

Myeroff: From day one. Ron Cohen did an amazing thing when he started our firm in 1977. He gave 17 percent ownership (51 percent total) to each of the three junior partners who joined him at the start. Ron felt strongly that if he couldn’t get at least one of them to agree with him, he must be wrong. That was unheard of in our profession. He made it...
clear that he believed in them and expected a great deal from them to develop our firm. Ron set us up for success when he built that leveraged model of leadership into the fabric of our culture.

**Taxonomics: So why do owners often put off this critical planning?**

**Myeroff:** Unfortunately, I’ve seen too many entrepreneurs delay addressing broad business succession and later find themselves without options. There are a couple reasons for this. First, there’s the misperception of time. There’s plenty of it, right? So why spend significant time and energy planning for “down the road” when there is no shortage of current issues to address? Succession planning fits with other elements of great business practices that are important but not urgent, and often drop to bottom of the list until they become urgent. It’s right up there with personal financial, estate and philanthropic planning. Each of these areas, with succession at the top, evokes strong emotional undertones (i.e., retirement and death), and are void of “right” answers and immediate results. All the easier to procrastinate.

**Taxonomics: What else is important to a good business succession plan?**

**Myeroff:** In addition to creating a culture that leads to more candidate options over a span of years rather than months, focus on elevating the business by building the aptitudes that will take the company to the next level. Carefully consider where the business is in its evolutionary cycle, and the skills needed to address changing customer needs and competitive forces. That could mean the next leader may need a different skill set.

For Cohen & Company, in the late ’80s Ron Cohen, who was not only the founder but the resident tax and business development genius, realized the firm, as it grew, would need a more process-focused leader to establish discipline and structure around his vision. Rich Bongorno was the perfect candidate. A tax guru in his own right, Rich built a foundation for process and administrative discipline. By the time I was asked to take the reins, the needs were different. The firm needed higher-paced, sustainable growth and talent development. It was also time to transition governance from a partnership model to a more corporate model while preserving our entrepreneurial culture.

**Taxonomics: How critical is the issue of timing in succession?**

**Myeroff:** We can’t predict the future. That’s why it’s never too soon to start looking ahead. Find a sense of urgency. Owners should start building a culture of leveraged leadership now to identify potential leaders throughout the business. Thinking through succession and treating it as a process, rather than an event, will help instill confidence and trust in everyone involved in the business. Importantly, giving yourself plenty of time (again, years, not months) allows for mistakes along the way, which is always part of the process.

**Taxonomics: Any final words of advice regarding succession?**

**Myeroff:** Holistic succession planning, all the way to ownership succession, should be a living, breathing philosophy that evolves along with changes in the market, your organization, and an owner’s personal life and goals. Live out the planning process in real time. Build the culture needed to support leaders so they naturally rise to the top, and when it comes time to finally let go — go! I promise you will look back with a great sense of pride and accomplishment. As always, enjoy the journey.

Randy Myeroff, CPA, CGMA, serves as CEO of Cohen & Company and advises private company owners on many areas related to running a successful business, including helping them plan for succession. Contact Randy at rmyeroff@cohencpa.com.
Such auctions were chock-full of a captive audience of horse lovers, but there were only a few vendors, and they were selling used equipment with no warranty.

“He had a better idea,” says his son, Stan Schneider. “He started selling new merchandise at auctions — selling it with a money-back guarantee. Customers loved it.”

This was the birth of Schneiders. It was primarily a hobby business back in those days for Milton, but after 10 years of selling at auctions, he opened his first retail store in Cleveland. Stan and his brother, Don, joined the company in the early 1960s, and, throughout that decade, they continued to create new product lines and expand their sales approach to horse shows across the country.

But what put the fledgling company on the map nationally were show saddles, crafted from leather and accented with silver. In those days, each show saddle was custom-made, expensive and took several months to receive. Once again, the Schneider family identified an unmet need and delivered, working with saddle designers and horse trainers to create the first-ever line of in-stock silver show saddles.

“It was an instant hit,” says Stan. “That led to us developing a catalog operation and a wholesale business, and we’ve added a dozen more private-label
brands since then. It all follows the same principle: talk to your customers, find out what they need and determine how you can make a product better for them.”

An Eye for Opportunity and Innovation
Milton’s spirit of innovation and eye for business opportunity remain the guiding forces in the nearly 70-year-old family business. Today Stan’s son, Eric, serves as CEO and he takes seriously the example set by his late grandfather.

Eric actually never thought he’d end up in the family business. In fact, he didn’t ride horses seriously until about six years ago. Instead, he went to college to study finance and management, planning to make a career in the corporate world. But then his father, Stan, and Uncle Don started thinking about the future of the business, and the conversations quickly led Eric to consider coming back and joining the company.

“I was working in marketing, so I thought I would come back and run marketing,” Eric recalls. “I showed up and instead my uncle put me to work in the warehouse. I wasn’t happy about that at the time, but it was the best thing for me. I got to learn the business from the ground up. I probably wouldn’t be where I am today if I hadn’t done that.”

Under Eric’s leadership, Schneiders is focusing on product innovation by keeping a finger on the pulse of its customers’ needs. Eric and his team regularly survey their customer base and have a select number of them test the products in development. The company also has developed relationships over the years with horse trainers, who provide their firsthand insights into what products are needed most in the market. Eric and his team constantly watch buying trends and social media to analyze customer preferences. “We think about the details,” says Eric. “The details matter.”

Milton would be proud of how the company has evolved. It’s known nationally for its patented products such as a line of horse blankets known as Adjusta-Fit, which allows horse owners to adjust the blanket to fit each horse’s unique body dimensions. VTEK is another patented Schneiders product, which prevents blankets from rubbing the horses in uncomfortable spots.

Passing It On
“Eric is a great leader,” says Rob MacKinlay, the Cohen & Company partner who has worked with Eric over the past several years and also serves as president of the firm’s Private Company Services Division. “He’s decisive, astute and a lot of fun to work with.” The relationship between the two organizations goes back a long way. “We both have tremendous respect for the history of our companies (even though neither of us were born when they were founded), and we are both fortunate to play pivotal roles in where they are going today,” says MacKinlay.

When Don Schneider decided to relinquish the role of CEO to Eric, the company went through a transfer of ownership. Eric said the process could have been overwhelming, but Cohen & Company’s guidance helped the family along the way. “It was really tricky and we didn’t know how to do it,” Eric recalls. “They walked us through the process and got the deal done. I couldn’t have done it without them.”

The next step is to grow Schneiders and expand into new ventures, like buying Chagrin Valley Farms to continue its tradition of making horseback riding accessible, more affordable and community oriented. “Eric has a clear vision of where the business can go,” shares MacKinlay. “I’m looking forward to being part of his team as he scales for the future.”

Poised For Growth
The Schneiders’ unique retail store in Chagrin Falls, Ohio, welcomes visitors from as far as 500 miles away. There are 10,000 square feet of products for
horse and rider alike, including saddles, bridles, horse blankets, clothing, gift items, boots, helmets and other supplies. Just inside the store’s entryway sits a display of silver show saddles, just like the ones that made the company famous. The Schneiders enjoy their retail operation, which keeps them connected to the community where it all started. The company has continued to grow nationally and internationally with a strong online presence. “It’s incredibly rewarding that our product innovations are now reaching and benefiting an international audience,” Stan says.

Most of the company’s 80 employees, some of whom have been there for more than 35 years, are horse lovers and owners themselves. Eric calls them the company’s “secret sauce,” because their love of horses and the outdoors creates an authentic buying experience for customers.

“We look for people who can see things the way our customers do,” he says. “Most of our employees love riding. That’s something that attracts them to us and has created an environment they want to be part of. It’s a collaborative environment, where we hire smart people who love horses.”

There’s no doubt that what started as a hobby selling supplies at horse auctions has grown into so much more. Schneiders is a national leader in the horse industry, which includes more than 10,000 retailers, most of whom are small mom-and-pop companies. The company caters to both English and Western riders, and its products touch nearly every part of the horse industry.

And, just as Founder Milton Schneider did in the late 1940s at horse auctions, the company still offers a 100% satisfaction guarantee. Even after three generations of Schneiders have led this company, it’s clear they’re still constantly seeking the next opportunity to innovate and provide value to its customers. “We’re not in it for a few years,” Eric says. “We’re in it for the long run.”

Long before there was a Cohen & Company, Ron Cohen served as the accountant for the Schneiders. The relationship over the years has included working closely with the family on a wide range of tax, accounting and advisory issues. For both the Schneiders and Cohen & Company, probably one of the most important projects was consulting related to succession planning.

“The big thing in transactions like these is trust,” says Kerry Gubics, a partner at Cohen & Company who worked with the Schneiders and helped with the 2015 transition. “You have to propose something that works for both parties and puts the organization in a position to thrive. They trusted us to get the deal done.”

Today, Rob MacKinlay works with Eric Schneider, CEO of Schneiders, on business issues ranging from helping the company hire a new CFO to a long-term plan for the company’s next succession. The transition of trust in advisors from one generation to the next has been a key component to this relationship’s long-term success.

“Any time we’ve needed them, they’ve handled it and handled it well. Rob has become a trusted adviser to me and Schneiders,” says Eric.

A Collaboration of Trust Through Time

LASTING RELATIONSHIPS

Is your family business thinking about a transition? Contact Rob MacKinlay, CPA, CGMA, at rmackinlay@cohencpa.com.
SUCCESS
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How Cohen & Company Founder Ron Cohen uniquely built a CPA firm like no other
Early in his career, Ron Cohen was in a meeting with a client who wanted to go public. Ron was an experienced CPA and tax strategist and knew right where his sweet spot was going to be — helping Northeast Ohio’s family and privately held companies find every tax opportunity they could.

Because Ron’s focus was on private entities, not public, a Big 8 accounting firm had been added to the client’s team in preparation for the IPO. During the meeting, the group discussed the need to add a half-million dollars in equity for the deal to come out at the right price. Although the matter had been explored, the conclusion was there was no way to make it happen.

“Well, wait a second,” Ron said, in the more direct than diplomatic manner he has when stating something he perceives as clear as day, even if others don’t yet see it. Ron explained that money owed to the two owners for rent, salaries and interest could be contributed to equity because of specific wording in the tax code — a finding that would allow the client to meet the desired additional equity.

The national firm CPA walked down the hall to run Ron’s theory by a senior tax guru, coming back shortly to announce, a bit too happily by Ron’s recollection, “No, you’re wrong, that money is taxable.”

Ron being uniquely Ron — as his colleagues sometimes say in an attempt to explain his, well, uniqueness — did not flinch, asking the other accountant to now call the head tax guru in New York.

One can imagine how that went over, but the client trusted Ron, who had helped steer the business through thick and thin to get to this wealth-creating turning point.

“My God, please,” the client asked.

It’s obvious where this story goes. The CPA from the Big 8 firm returned 20 minutes later with the news that its lead tax strategist agreed with Ron. With the equity problem solved, the client’s deal moved forward.

The 51 Percent Solution

Much of Ron’s uniqueness is packed into that true story. It encompasses his startling intellectual command of the tax code and accounting rules; a narrative slice of his career-long tussle with national CPA firms over clients and the recruitment of employees; his tell-it-like-it-is personality; and most important, the reverence clients had — and still have — for Ron’s creativity and counsel.

When Ron spoke, clients paid attention. They based complex business and tax decisions on his insights, which were grounded in due diligence. But these insights also carried the authority of something more, a native instinct for finding opportunities and solutions others missed. In fact, Ron’s philosophy was to always treat each tax problem as if it were a riddle. He knew clients didn’t really want to know if they could do something, but how to do something. Ron solved their most complex issues over the years and never lacked confidence in himself or his abilities along the way.

Yet, in 1977 at the founding of his namesake firm, Ron made a seemingly unorthodox and rather visionary business decision. He offered three young rising stars — Kerry Gubics, Reed McGivney and Mike Good — the opportunity to join him as owners. Together they would become the foundation of Cohen & Company. More importantly, Ron put the trust and confidence in the new firm literally into the hands of its first employees. He shared not only equity and dollars, but decision-making power.

“Ron could have said, ‘Congratulations, I want to bring you with me and you can each have one percent
of the firm,” says Randy Myeroff, the current CEO of Cohen & Company, shaking his head at this transaction legendary within the firm. “Or maybe two percent if he were feeling generous.”

Instead, Ron offered 17% of the firm to each of the CPAs, giving 51% of the firm to the three, leaving him with a 49% minority share of equity and voting power.

“All three were bright — no, brilliant,” Ron says, explaining his curious decision. “They had their own expertise and management potential. I wanted them to be incentivized, yes, but more importantly I felt if there were an important issue facing the firm, and all three of them disagreed with me, they were probably right.”

This curious decision laid the cultural, shared-leadership foundation for a firm that 40 years later is among the largest and fastest-growing CPA firms in the nation, successfully and continually expanding its service offerings and geographic footprint.

It’s perhaps as rare in business as it is in politics for people to intentionally limit their own authority, but Ron was creating a mechanism that would protect him from ever hindering the potential of the firm. “Ron is a man who knows himself,” says Myeroff. “That’s a great advantage in any leader.”

Ultimately, Ron’s decision established a cultural norm of trusting, developing and collaborating with young leadership, which still rings true today at the firm. It’s one thing to say that no one person is more important than the firm; it’s another thing for the founder and leader to put themselves in the same boat.

**Here and Now**

450 employees (and growing). From a handful of employees when the firm opened in 1977 to more than 450 today in eight offices throughout the Midwest and New York City.

8,000 hours of annual technical training. Proactively seeking technical excellence to better serve clients is something Ron insisted on from day one. Today is no different. The firm’s hours of technical training each year — including a firmwide, three-day training event — far surpass industry requirements.

6,000+ volunteer hours logged each year. From the beginning Ron made community involvement a big part of the firm’s culture, adding it to the list of employee evaluation criteria. Today Cohen & Company continues to offer employees paid time off to volunteer, hosts an annual firmwide community day and manages the Cohen Community Foundation.

**RON PUT THE TRUST AND CONFIDENCE IN THE NEW FIRM LITERALLY INTO THE HANDS OF ITS FIRST EMPLOYEES. HE SHARED NOT ONLY EQUITY AND DOLLARS, BUT DECISION-MAKING POWER.**
The (Young) Man Of Steel

Ron Cohen was the child of immigrant Jewish Poles, raised in the industrial town of Youngstown, Ohio, just north of the ribbon of steel mills that ran through the heart of the Mahoning Valley.

His mother was essentially illiterate and never learned to speak English, and his father’s early promise in the insurance business collapsed under a debilitating illness leaving the family “dirt poor,” in Ron’s words.

By the age of 10 Ron was working at a deli after school, and by the age of 12 he would sometimes run that deli. An overachiever and ultra-competitive in school, he was accepted to more than one Ivy League college. But financial realities ultimately led him to accept a full scholarship at The Ohio State University where he studied accounting, graduating in 1957.

Always the strategist from a young age, Ron had hatched a four-point plan. 1. Move to the fastest growing city in America; 2. Get a job at a CPA firm; 3. Go to law school at night; 4. Open a boutique law firm focused on tax work.

He had no intention of remaining “just” a CPA, which he perceived then as mostly recording and adding numbers. This blue-collar kid instinctively understood early on that tax work was where the action and opportunity were for a mind like his to really impact a business.

Enterprises often reflect the passion and focus of their charismatic founders, even years after that leader has moved on. Strategic tax expertise and unparalleled client service have been at the heart of what has distinctively differentiated Cohen & Company over its 40-year history.

“The tenets of excellence, integrity and service Ron embraced from day one are what have made our firm so successful and served our clients so well for all these years,” comments Myeroff. “They most definitely will carry us into the future.”

Making good on his intended plan, Ron booked his first trip on a plane and flew to Dallas, Texas, one of the country’s fastest-growing cities at the time. Landing a job at a local CPA firm, he was inspired to find its managing partner spent most of his time counseling clients about their businesses, with numbers being just part of the CPA client-service equation.

Ron thrived at the Dallas firm. But, he jumped at what appeared to be a great opportunity — returning

HIGHLIGHT REEL:

A Love of the Cleveland Indians

It’s true that a young Ron Cohen moved back to Northeast Ohio for a business opportunity. It’s perhaps equally true that he moved back because he was going through withdrawal from his beloved Cleveland Indians.

A self-confessed sports addict, one of the items Ron negotiated during his exit from J.K. Lasser was keeping the Indians season tickets. During Cohen & Company staff meetings, community events and, yes, even weddings, Ron often wore an earpiece with his transistor radio tuned to Herb Score’s play-by-play.

Over the years Ron has enjoyed many baseball highlights, including watching the Tribe in more than one World Series, throwing out a first pitch and becoming a founding member of the Wahoo Club. Still, his favorite highlight came in 1973 when he got a phone call from client and friend Ted Bonda. Bonda had purchased the team with a group of local businessmen. And, while the total number of season tickets Cohen & Company purchased couldn’t rival those purchased by the national firm ultimately awarded the accounting work, Ron was, and is, still elated to say, “I was an advisor to the president of the Cleveland Indians.”
to Northeast Ohio to run the Cleveland office of an Akron-based CPA firm with the chance to build equity in the revenues he generated.

**Luck and That Tax Code**

“Back in the day there were severe restrictions on soliciting clients,” Ron recalls. “You could not even do a fancy business card, let alone advertise. You needed client referrals.”

However, upon starting his new “opportunity” in Ohio, Ron learned that the Cleveland office actually had only three small clients, far fewer than what was represented to him. The client referral sources on which he had pinned his hopes to grow the business looked bleak. “I wasn’t from Cleveland and looked younger than my 23 years,” explains Ron. “So, I had no choice — I joined every civic organization that would take me. I met people. I got my own referrals.” He cultivated even more relationships while attending night school at Cleveland-Marshall College of Law.

Ron’s efforts paid off. He built the business at a pace that belied his circumstances. Networking would become a hallmark of his career, and eventually of the culture of Cohen & Company. But networking was only part of it. The other factor that clearly set Ron apart was his love of the tax code. “I learned the code inside and out,” says Ron. “I became an expert in areas that gave me an ability to use creative tax strategies, including being on the cutting edge of helping clients adopt fiscal-year Subchapter S Corporations and other alternative fiscal-year strategies. I got a reputation in town at a young age for being a tax guru.”

But, after a couple of years, a pending change in the Akron firm’s management expedited Ron’s plan to buy out the clients he had gained and go out on his own — a deal that required 200 percent of the annual billings and the help of a local banker willing to take a risk.

Throughout his career, Ron evaluated the ratio of risk to reward in a given situation more like a serial entrepreneur and less like a cautious accountant. Of course his entrepreneurial clients could relate to him — he was one of them.

In his new venture, Ron and an evolving group of partners built a firm incredibly good in all things tax. But when the AICPA issued new rules regarding financial statement preparation, Ron’s firm decided it needed to be part of a national firm to keep pace with clients’ needs. So, in 1972, Ron helped engineer its acquisition by national firm J.K. Lasser, becoming its new Cleveland office. However, in 1977, when J.K. Lasser was acquired by the much larger Touche Ross (now part of Deloitte), Ron knew it was time to go independent again by buying his way out of the deal and taking his three soon-to-be partners to establish Cohen & Company.

**A Man For Others**

As Cohen & Company began to grow, Ron focused more time on recruiting and training. He believed the firm could only succeed if its employees were developed and mentored to “live” the uniqueness of the culture in unmatched technical excellence and passionate client service. Rich Bongorno would eventually succeed Ron, becoming the second of only three managing partners in the firm’s history. Bongorno recalls that during his internship at the firm, which started the day the firm opened its doors, he watched as Ron spent an entire afternoon helping a new and distraught administrative assistant deal with the aftermath of having her purse robbed from her in a parking garage. “She was in his office sobbing, and Ron was calming her down, calling the police, contacting her credit...
And for those of you who can’t stand my style and don’t enjoy working with me, here’s light at the end of the tunnel. You’ve only got to put up with me for five more years.” Myeroff laughs and concludes, “Well, it was kind of tongue-in-cheek, but at the same time Ron’s never shied away from speaking the truth about anything, including himself.”

Over the last quarter of a century, Ron has continued to be an active business advisor and advocate, offering his advice and perspective to entrepreneurs looking to begin a new venture. Of course he has always had a role at the company he founded, providing guidance to clients, helping to inspire and develop up-and-coming leaders and providing counsel to his successors.

But life’s seasons change for us all. And while he loves nothing more than spending time with his wife, Marilyn; three beautiful daughters, Robyn, Tammy and Heidi; and eight grandchildren (too many to name), Ron is open about the challenges that high-octane business leaders have when life slows down, but that yearning for personal vitality and contributing to others in the business world remains.

Yet, in watching the recent video interview with Ron and others who helped build Cohen & Company (www.cohencpa.com/40-years), the love and honor these accountants, turned successful business people, have for the key figure in their careers is palpable. Ron’s distinct voice resonates and his eyes shine with the light of being surrounded by people who value and revere him for being, well, uniquely Ron. ■
If the Peace Corps had existed in the late 1950s, that’s likely where the young Hank Doll would have gone. He was forging his career path just a few years before the creation of this international volunteer organization, so instead he enrolled in Yale Divinity School.

“I went to divinity school because I was an idealist,” says Doll. “Unsure about what I wanted to do after, I thought something right would come along and it did — the chance to work with J. Irwin Miller, who was then chairman of the Cummins Engine Company in Columbus, Indiana.”

Among other things, Doll worked as an administrator for the company’s foundation, and there he discovered a calling he never relinquished. It was a revelation, a path he never expected to follow.

“I didn’t know anything about foundations when I got out of seminary in 1961,” Doll says. “I knew about churches and I knew about nonprofit organizations, but no one had ever spoken to us at divinity school about the philanthropic field. That was a turning point for me.”

While working with Miller, who also was the president of the National Council of Churches at the time, Doll got to see the inner workings of the company’s corporate foundation and Miller’s family foundation. He fell in love with the field, and with the impact these organizations made on the community.

After receiving his master’s degree in public administration, Doll established a reputation in the foundation field, working at the Cleveland Foundation, George Gund Foundation and Nord Family...
Foundation. He even spent time working in the administration of Cleveland Mayor Carl B. Stokes to pursue a grant for Cleveland’s Model Cities Program.

“I changed directions a number of times in my life, like going into government, so when I went back into foundations, I had a good background for the field,” he says. “If anyone asks me about my experience, I say I was pretty much a generalist.”

It was when he first moved to Cleveland in the late 1960s that his path crossed with Ron Cohen. Cohen began doing Doll’s tax work, and the two bonded over their mutual love of baseball.

“Being an Indians fan, I had four tickets in the upper deck behind home plate, and I tried to find clients who could stomach watching a mediocre baseball team go through the motions,” recalls Cohen. Once they began attending the games together, the Indians started to improve. “We said we brought them luck and that we would make opening day annually. Hank has been my guest at virtually every opening day since.”

“I’ve enjoyed having a personal relationship with Ron that has gone back to that period of time,” says Doll of his long working relationship and friendship with Cohen. “He and I see eye-to-eye on many issues.”

Now 80 and retired, the foundation that’s closest to Doll’s heart is The Doll Family Foundation. Created in 1993 with an inheritance he received from his father, Edward C. Doll, his goal was to get his wife, Mary, and his four children involved in philanthropy. The foundation currently has more than $2 million in assets, and supports causes in Cleveland and two of the cities where his children live — Bozeman, Montana, and Portland, Oregon. It focuses its grant-making on the promotion of philanthropy, support of women in crisis and environmental policy initiatives.

Cohen & Company advised Doll in the creation of the foundation and still prepares its annual tax returns, in addition to Doll’s personal taxes. “Every year Hank gives so much money to charity that there’s never much tax planning needed,” says Alane Boffa, a tax director at the firm. “He gives not because of the tax benefit, but because he believes in many causes.”

In addition to his foundation, Doll aids others through the “Giving Back Gang” he helped start over 15 years ago. The group of about 20 people meet regularly to pool contributions for various causes.

These days, Doll’s other passion in life — and the topic he never tires of discussing — is the garden he keeps on his property in Shaker Heights, Ohio. His specialty is his 100 dahlia plants, and in some circles he’s known as “The Dahlia Man.” In fact, through a barter with well-known Cleveland chef Doug Katz, Doll supplies dahlias and other flowers to Katz’s restaurant “Fire” in Shaker Square in return for dining at the restaurant. He also grows berry bushes, fruit trees, flowers and a vegetable garden.

Doll blended his love of gardening with his commitment to community service. He is certified by The Ohio State University Extension as a Master Gardener Volunteer and has been involved in community beautification and horticulture education.

Doll is still often asked by young people how to get into the foundation field. Reflecting back on his start at Cummins Engine Company, Doll answers: “It’s often serendipity. It’s being in the right place at the right time and knowing people who share your interest in philanthropy. No one is trained in philanthropic work except by being involved.”

Could your family’s passion use some dedicated tax direction? Contact Alane Boffa, CPA, AEP®, MT, at aboffa@cohencpa.com.
The process of preparing a tax return in the early days of the firm’s existence may seem arduous, but that’s how it was back in 1984 when Mike Kolk started his first tax season at Cohen & Company fresh out of college. While returns weren’t prepared entirely by hand, tax accountants were filling out and adjusting the bulk of the returns with a trusted No. 2 pencil.

“We had a pile of computer input forms to complete for each client with all of their information for the past year,” remembers Kolk. “We’d hand the completed sheets to an administrative assistant who would bundle all of the client packets every day and mail them to a service center in Dallas, Texas, for data input.”

The handwritten information provided by the firm was input into a giant computer that was, in Kolk’s memory, “as big as six rooms and had the computing power of an early-generation PlayStation.” The computer would calculate and print out the returns, along with related diagnostic material, before all was shipped back to Cohen & Company. The first thing the accountant on the job did was reconcile the numbers.

“Easy-peasy out the door if you and the computer came out with the same answers,” says Kolk. “If things didn’t match up, you had to go back and figure out who was right. Unlike today where computers automatically update and recalculate as you go, back then if something got missed it meant correcting it on a new form and sending it back to Dallas to change the data, recalculate, reprint and reship. It took a lot of nerves, transportation and labor costs to meet a deadline in those days.”

While the process offered an extra layer of assurance that calculations were accurate, it pushed accountants up against the ropes, especially if they were into the October extension filing season.

Unwilling to settle for status quo, Cohen & Company recognized the importance of investing heavily in technology to stay ahead. The firm evolved from the outsourced system to its own dedicated keypunch terminal and a few desktop computers in the late ’80s; to a Windows-based program in the early ’90s with personal computers for everyone; to laptops in the late ’90s.

“Ironically, the Windows solution was the worst tax system we ever experienced in our lives, not to mention we couldn’t have switched at a worse time” says Kolk. “Computers crashed while we were doing returns. It was so bad we actually got the vendor to reimburse us for the entire price of the software.”

As technology eventually improved, so did other areas in the return process, such as how clients and the IRS received final returns. Clients saw the large paper packages of the ’80s and ’90s replaced with CDs, then electronic PDF copies, and most recently portals for larger and more complex entities.
Electronically filing returns with the IRS was also a complete game changer when the IRS upgraded the capability about 10 years ago. Even the way the firm tracks a return’s progress has undergone a digital transformation, with its own proprietary “pink sheet” web-based tracking system (named after the pink handwritten sheets from the old days) to further enhance efficiencies.

New Expectations, New Opportunities
Thanks to technology, everything from researching tax code to preparing, proofing and filing a return is more streamlined.

“Improvements in technology certainly don’t mean simplified returns,” warns Kolk, “particularly as state and federal tax regulations become increasingly complex. However, the differences in our research materials, from large volumes of books that came with paper updates every two weeks to having everything at our fingertips online, has changed our world as tax accountants,” says Kolk.

The increase in efficiency and speed, from the time a client provides information to when the return is e-filed, also has improved the client experience.

“Turnaround time has gotten light years faster,” says Kolk. “Clients can see their tax liability almost immediately. Before it would take days to get them an answer.”

As the firm has grown, so too has the Tax Department, which is now more than 150 strong.

“We used to start our Thursday morning tax meetings reading the Wall Street Journal weekly tax column to the entire department, sitting around one conference table,” recalls Kolk. “That was our opener for the meeting. That and doughnuts. Back then we all had to know about everything. Now, because of our size, we can be more specialized. We have much deeper knowledge in specific areas to help our clients in more complex situations.”

Some Things Never Change
While the tax code continues to evolve and becomes trickier in some ways, Kolk says, in essence, nothing much has changed.

“There were major tax code overhauls in 1939, 1954 and 1986,” he says. “But otherwise the underlying system doesn’t really change. Politicians will continue to layer new code sections on top of old ones, which begs perspective from those of us who have been around long enough to piece together old and new opportunities. Same soup, just different ingredients with each new head chef.”

The reason clients seek out the tax professionals at Cohen & Company hasn’t altered much over time either.

“Business owners want us to figure it out,” says Kolk. “While areas of attention come and go — like retirement or investment incentives — the goal of paying the least amount of tax allowable by law generally stays the same.”

Perhaps one of the biggest constants over time has been how Cohen & Company has maintained the innovative and collaborative tax culture Founder Ron Cohen and other early partners created.

“Even amongst significant growth, we have been able to maintain the cultural roots this firm was founded on,” says Kolk. “From weekly tax lunches, to sharing creative ideas and solutions with colleagues, to interacting socially to maintain our camaraderie — it’s all very important to what we do and is a great source of pride and identity.”

To Infinity … and Beyond?
What other changes might be in store for the next generation of tax preparers (and taxpayers)? Kolk suggests someday, “way down the road,” the income tax itself could become a thing of the past, possibly replaced by a VAT-type of tax. And technology, of course, will continue to be a driving force, with artificial intelligence likely gaining headway and changing the makeup of accounting firms and compliance enforcement for the IRS.

“We’ve already seen many solo practitioners replaced by popular do-it-yourself tax programs and other online options,” says Kolk. “Robots doing the job of entry-level tax accountants is not science fiction. It’s coming. The IRS also likely will tap into this growing field to help cross-check records and more efficiently hold taxpayers accountable. But regardless of what’s in store related to technology, reform or other government changes, the firm will be a thought leader in the process and thoroughly prepared.”

Contact Mike Kolk, CPA, JD, MS, at mkolk@cohencpa.com to reminisce about the good old days.
The company had just received the largest order in its history — 18,000 commemorative metal tickets made by hand that the Pittsburgh Penguins would distribute to fans to honor the final game held in the city’s Civic Arena. Ecstatic at the news, the company’s artisans had all agreed to work around the clock, seven days a week, to fulfill the massive order in time to meet the team’s deadline — just over a month away.

It was the thrill of victory after being devastated by the financial downturn of 2009. “Many advisors had recommended that we sell our assets and go out of business during that time,” recalls Knecht. “We made a commitment as a family to do whatever it took to keep the business going.” To Knecht, that order from the Pittsburgh Penguins was a sign of validation that the company was going to make it. Unfortunately, optimism didn’t last for long.

Just two days later, while making a delivery to one of the company’s retail stores, Knecht got a devastating phone call. “They said ‘get back here, the forge is on fire,’” he recalls. “The next call was ‘Will, the forge is burning down.’” Driving back, from three or four miles away, he could see the plume of smoke. “Our facility literally burned to the ground. We lost our flagship store, our corporate offices and our workshop.”

It was March 4, 2010, and a time of celebration for CEO Will Knecht and his employees at Wendell August Forge, a 94-year-old manufacturer of hand-forged metal giftware, home decor pieces, jewelry and serving items based in Grove City, Pennsylvania.

Preserving the Past, Adapting to the Future

STAYING TRUE TO ITS ROOTS WHILE MINDING THE MARKET GUIDES THE SUCCESS OF WENDELL AUGUST FORGE
The visit from the insurance adjuster the next day was equally devastating. “He told us that 60 percent of small businesses never recover, and that if we did make it, we should be prepared to be out of business for nine months.” But Knecht and his team wouldn’t accept such a prognosis. They threw themselves into first getting manufacturing back online, which happened within five days. Within two weeks, a headquarters office was up and running, and Wendell August’s retail store reopened in rented space just four weeks after the fire.

Best of all, the company was still able to fulfill its order with the Pittsburgh Penguins on time, which Knecht hand-delivered in a company van in early April 2010, just over four weeks after the fire. A person of strong faith, he credits first the providence of God for the company’s amazing recovery from the fire, but also is indebted to his devoted employees. “This could have been devastating for a lesser group of people than the ones I work with,” Knecht says.

“The fire was disastrous, but it actually triggered a taxable effect referred to as an involuntary conversion,” explains Marc Mazzella, a tax director at Cohen & Company. “Our tax team worked hard on issues related to insurance and grant proceeds so any gain could be deferred as long as possible.”

Knecht credits Cohen & Company’s support for helping the company survive. “Their coaching, moral support, encouragement and financial analysis — it was instrumental,” he says.

From Family To Family

Knecht is the second generation of the second family to own Wendell August, but he displays all of the passion and enthusiasm of a founding entrepreneur.

The company was started in 1923 by Wendell McMinn August, an executive in the coal industry who hired one of his blacksmiths at the mine to hand-forging door latches for his home. He was so impressed that he hired three more blacksmiths and launched the company to sell decorative ironware products. Over the 55 years that the August family owned the business, it grew to offer much more.

But by 1978, Robert August, Wendell’s son, was ready to retire and started putting out feelers to sell the company. Around that same time, long-time IBM sales executive Bill Knecht, Will’s father, was searching for an opportunity to achieve his dream of entrepreneurship. Serendipitously, they shared the same financial advisor, who made a connection that fulfilled both men’s ambitions.

“My dad was an entrepreneurial guy, but he was also a collector of things both interesting and valuable,” says Knecht, who started working at Wendell August in 1989. “He was a unique man, truly one-of-a-kind, and that’s what we do — we make one-of-a-kind heirlooms that are memorable.

“The products the Knecht family creates are the type of items you don’t just buy, but you cherish for years,” adds Mazzella. “It’s hard to find quality craftsmanship like that anymore.”

Bill Knecht died in 2004, but Will can’t say enough about the influence of his father’s legacy on the Wendell August of today. It was under the elder Knecht’s leadership that this small, local company became an international seller of hand-forged products and a retail tourist destination. Every year, hundreds of thousands of people flock to Wendell August’s flagship store in Grove City, where visitors can tour the forge and watch its craftsmen at work, or try their hand at an interactive forging exhibit. A second store in Berlin, Ohio, in the heart of the state’s Amish

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Country, also incorporates experiential retailing with a museum area and workshop tours.

“He was way ahead of the trend in experiential retail, not theater, but an authentic experience,” says Knecht. “Authentic experiences are what is differentiating good retailers these days. Guests can still watch the products being made. There’s no smoke and mirrors.”

Honoring the Past, Adapting to the Future
The financial downturn and forge fire haven’t been the only major challenges Knecht has faced in recent years. As an American manufacturer committed to keeping its products domestically made, Knecht has constantly rejected overtures from manufacturers offering to make products overseas. The company culture is embedded with the culture of its close neighbor, Pittsburgh, where manufacturing runs deep but is in decline.

“This was extremely important to us even before it was hip,” Knecht says. “Manufacturing in America was key. It’s who we are. None of us are billionaires. We’re good old-fashioned Americans, and that commitment to American manufacturing is an important point.”

One of Knecht’s leadership lessons learned has been to surround himself with talented people and allow them to make their mark — not just employees but also outside advisors. “That’s what has been so successful with Cohen,” he says. “Their skill set is so vast.”

Today, Wendell August employs 105 among all of its locations, plus 30 part-time employees during the holiday season. Its products are shipped around the world, with 40 percent of sales coming from e-commerce. The company still works with the Pittsburgh Penguins, along with many other sports franchises, universities, cities, corporations, embassies and military installations on custom commemorative pieces.

After more than 90 years in business, Knecht sees his role as honoring Wendell August’s past while preparing the company for future growth. “It’s important to stay true to who we are and yet adapt to market conditions,” he says, “preserving who you are and yet making that meaningful to the market. When we have lost sight of that, that’s when we have made mistakes. When we stay true to who we are, that’s when we succeed.”

In 1983, six years after its founding, Cohen & Company opened a second office in Youngstown, Ohio. One of the first clients to work with the new team was Wendell August.

“Bill Knecht was such an outgoing, jovial and truly nice man,” recalls longtime tax partner Rick Schiraldi. “He had a monumental impact on sales and product expansion after buying the forge, and I often marveled at how he continually managed expenses with increased efficiency every year.”

Over the years, the two companies worked together on many issues, including tax planning, geographic expansion, compensation planning, succession planning and a complex estate plan.

As Wendell August has grown, so has Cohen & Company. “As big as they’ve gotten and as important as they are in the business communities where they operate, they haven’t lost that personal touch,” says CEO Will Knecht about his accounting firm. “They really care about us.”

Better Together

Looking for a partner who will stick by you in good times and bad? Contact Marc Mazzella, CPA, MBA, at mmazzella@cohencpa.com.
Sustaining a culture of service, quality, innovation and fun for 40 years is a tall order. There are many ingredients in a recipe for employee engagement and, in turn, great client service. However, even as the firm has grown in clients, employees and geographic locations over the years, there are common cultural threads that have hit the spot among Cohen & Company employees.

For Tax Partner Maura Corrigan, the camaraderie and support of her colleagues have been the lifeblood of the firm and her anchor to it since she joined in 1989.

“I have a true love for my colleagues. I work with the best. Work load, deadlines, keeping up with tax law changes, work-life balance … it never ends. Everyone is willing to step up and help, and that team mentality is priceless.”

For Tom Bechtel, an A&A partner who started with the firm right out of college, it’s the lasting client relationships that have him marking his 35th year with Cohen & Company.

“I’ve watched clients evolve from one business to the next and into retirement,” says Bechtel. “It’s been a great pleasure to advise them as they came full circle, not only in business but in life.”

Even without the perspective of 35 years, the firm’s culture shines through. Tax Partner Kathy Walsh joined the firm in 2016 following Cohen & Company’s merger with GHD CPAs in Michigan. She was immediately struck by the similarities in cultures, including an emphasis on learning.

“Everyone exudes an energy of wanting to learn, grow together and be the best,” she says. “That’s very important in such a technical and complex industry. We all work very hard as a team and appreciate each other’s diverse set of skills.”

Jessica Foster, an A&A senior accountant, was in the midst of a career change when she began researching accounting firms.

“A company that valued and encouraged community service, and that had fun doing it, really appealed to me.” Foster says. “Coming from a career in teaching, I knew that a workplace where people truly enjoyed each other was a great environment.”

Client service and career advancement were top priorities for Scott Lichtenstein, a tax partner with Big 4 and boutique firm experience behind him.

“When I joined the firm I was well into my career,” says Lichtenstein. “I knew I wanted to work closely with clients and have meaningful growth opportunities. All firms talk about their culture. The difference is, seven years later, with Cohen & Company I can still say it’s all true. People here want you to be successful, so they work together and play off each other’s strengths to help colleagues succeed.”

Perhaps one of the biggest cultural ingredients is how the firm has kept its entrepreneurial spirit alive alongside exponential growth.

“If you want to try something new, you’re given the ball to run with and plenty of support,” says Bechtel. “We reward the advisory mindset here, and that is something very special.”

Cohen & Company’s culture revolves around the notion of “SQIF” — Service, Quality, Innovation and Fun.
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Thank You
We wish to thank our clients featured in this issue of Taxonomics and all of our clients over the past 40 years for sharing their stories and trusting us to join them on their journey.