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O'Connor Davies Becomes Lead Firm In PKF Network

Helping to guide the future of PKF International (PKFI), leading expansion of the PKF network in North America, improving international service to clients and maximizing the benefits of an international brand – these are just some of the advantages New York-based **O'Connor Davies** (FY14 net revenue of \$108 million) points to as it rebrands itself and adopts the PKF name.

So says **Kevin Keane**, MP of the recently renamed **PKF O'Connor Davies** (FY14 net revenue of \$108 million), who spoke with INSIDE Public Accounting about the firm's selection as the lead North American firm of the global network of independent accounting and advisory firms. Taking on the larger role in the network means the firm is now the primary referral point for international businesses with needs in North America, and clients will benefit from access to firm experts in the PKFI network, which covers 440 cities in 150 countries.



Kevin Keane

Until the Feb. 2 announcement of its new status in the network, the rapidly growing firm was known as O'Connor Davies LLP. The firm's strong connection to the network goes back to 2011, when what was then O'Connor Davies Munns & Dobbins merged with PKF LLP, a New York City firm with a thriving international tax practice. The merged firm then became part of the PKF International network.

The firm marketed itself in certain niches with the PKF name after the merger – with as much as 35% of the firm's net revenue coming under the "PKF O'Connor Davies" name – so the recent name change will help solidify the firm's brand across the entire marketplace. "This makes it a little easier for our clients to understand who we are," Keane says.

From here, PKF O'Connor Davies will help expand the PKF network by seeking to attract five to 10 firms with strong international expertise in different regions around North America. "Our charge is to make sure that the group in North America is powerful and able to supply the services that are needed."

Keane is, in a way, starting from scratch. PKFI severed ties with PKF North America – now **Allinial Global** – in November. "We have a somewhat blank canvas on what we want to draw here." Keane adds that the situation could be viewed as a positive or a negative. "We

are going to be very cautious on who we talk to and bring into the network. We don't have to grow overnight."

Some of the current members of Allinial, with whom PKF O'Connor Davies has had a long relationship, "are very good firms that we'd love to be involved with." While it's preferable that the firms who come into the PKF International network use the PKF name, "we're more concerned with getting the right firms," Keane says, with hopes that they will be "open-minded" to the PKF branding.

Allinial (the former PKF North America) is taking a different strategy as it focuses on education, marketing resources and technical knowledge in a wide range of industries. Allinial CEO **Terry Snyder** tells IPA that the future is bright as a more client-centric association has risen from the separation with PKF International. "O'Connor Davies is a great firm and we wish them all the best," Snyder tells IPA.

O'Connor's rapid growth in the last few years in part led the network to choose the firm as its North American flagship. In the last 18 months, the firm grew from 450 professionals to more than 600. O'Connor Davies was named an IPA Fastest-Growing Firm, at 15% growth, in 2014. It is ranked No. 29 on the 2015 IPA 100 list of the nation's largest firms.

Keane says the firm is looking to expand in Florida, and along the corridor between Washington, D.C., and Boston.

The firm's advisory group has seen the most significant organic increase by far, and Keane hopes to see about a quarter of the firm's business come from advisory service offerings. However, he is quick to add that he would not abandon assurance services, even though some firms appear to be going in that direction. "The foundation of our house is based on the audit," he says. "To walk away from that would be wrong."

As the firm grows, it will be working to expand the network it leads. "We're very proud to be PKF O'Connor Davies," Keane says. "We're going to work real hard to make PKF International a success." ■IPA

