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MARCUM:
Friedman LLP and Marcum LLP Join Forces
with Michael Sacco

TWO ACCOUNTING FIRMS COMBINE TO CREATE A TRENDSETTING CONSUMER AND INDUSTRIAL PRODUCTS PRACTICE

BY ALEX BORGSTROM

Photography by Jill Lotenberg

Effective September 1, 2022, Friedman LLP and Marcum LLP joined forces under the Marcum brand. The combination of these two leading national accounting and advisory firms establishes Marcum as a top-12 firm with a team of more than 3,500. Friedman's managing partners described the merger as "a momentous step toward the future" and "in the best interests of our clients, partners and employees."

This merger represents a major milestone, earning Marcum a spot among the few professional service firms with annual revenues in excess of \$1 billion (projected).

Marcum's incorporation of the 850-strong Friedman team stands to strengthen its diverse portfolio of service and industry groups, perhaps none more profoundly than the Firm's Consumer & Industrial Products practice.

The Best of Both Worlds

Marcum enjoys a strong reputation as a provider to the consumer and industrial products industry. The addition of the Friedman team enhances the Firm's resources, reputation and brand by introducing professionals from a similarly accomplished practice focused on serving the New York market.

Michael Sacco has served for years as the partner-in-charge of Friedman's consumer products practice. He brings decades of experience, deep industry knowledge and leadership skills to Marcum as head of the firm's newly reconfigured national Consumer & Industrial Products group. At Marcum, he'll have more responsibility and resources to pursue the strategies that helped propel Friedman's consumer products practice to prominence.

According to Sacco, "Relationships define our business – our group strives to maintain strong relationships with clients, referral sources and one another. I have a ton of respect and ad-

miration for the business owners, C-suite professionals, bankers, factors, attorneys and other consultants in this industry, and I take pride in understanding my clients' businesses and the challenges and trends they face. Whether we're providing business advisory, tax planning, transaction advisory services or financial statement audits, we are confident that our experience in the industry and passion for client service will ensure that the needs of our clients are met.

"My team and I understand that each company is unique in terms of what they sell, how they sell and where they sell. As a result, our approach is based on serving their one-of-a-kind needs. Whether you're a wholesaler, a retailer, an established online shop or looking to shift into e-commerce, our team will guide you at every turn to strengthen your standing in changing marketplaces."

Sacco has spent his entire career developing relationships in the consumer products space and helping consumer products companies of all types keep their products on shelves or embrace new practices to move ahead of the competition. His team advises manufacturers, importers, distributors, retailers and online stores in all segments of the industry, including but not limited to apparel, footwear, accessories, electronics, home, furniture, beauty, diamond and jewelry and other industries.

Of his passion for the space, Sacco said, "This industry and its people are special. There's a lot of creativity, tons of personality and infectious tenacity and self-belief. I wasn't born with the creativity of a designer, but I can contribute my business sense, my drive to build knowledge and connections and my interest in making things work."

Starting Fresh

The prospect of a new firm, culture, and team is intimidating for most. But for Sacco, Friedman's combination with Marcum was a natural step on the road to growth. "From the beginning this combination looked like a great

opportunity and that's been born out in how seamlessly everything came together."

He also expressed admiration for his new firm, saying, "Marcum has had an incredible journey, growing more than five-fold since 2008. Jeffrey Weiner, the Firm's managing partner, is always looking ahead to the next step. It's an admirable mindset but, beyond that, the results speak for themselves. I think the Firm's prospects and the market more broadly recognize Marcum as a leader and look to them as an innovator that can help them in their own growth. That has certainly included their Retail & Consumer Products practice. Like the advertisements say, 'Ask Marcum.'"

Sacco added, "As accountants and business advisors, we want to start a dialogue. We thrive on hearing our clients' questions, doing our research and bringing solutions. From that perspective 'Ask Marcum' says it all. It's a really strong brand and a great platform to build on."

What about the firm he's left behind? "We had a lot of success at Friedman, particularly when facing the challenges of the last few years. Our clients faced supply chain issues, concerns about transactions, tax planning and financing, uncertainty surrounding the PPP, and our people stepped up and did an amazing job to help see them through. But ultimately, this deal worked because we were able to enter it feeling like we wouldn't be leaving anything behind us but the name. Credit goes to our managing partners and to Jeffrey Weiner, who have made it clear that we are taking everything that made Friedman special, its people and its culture, and bringing it with us to Marcum."

Trendspotting

As a national industry group leader at Marcum, Sacco will be responsible for growing the practice, expanding the Marcum brand in the marketplace and leading the consumer product team throughout the country. He will also continue to leverage his industry knowledge and access to key industry advisors to serve the



(clockwise from center)
Michael Sacco
Raelyn Davis (flowered dress)
Matthew Lombardo
Jeffrey Resnick
Thomas Miranda
Joseph Ferrone
Brian Nuzio
Grace Mak

interests of the practice's clients. He believes that his long-standing relationships with banks, attorneys, private equity investors and logistics companies, as well as e-commerce and other industry consultants, will be an asset.

In discussing what will change for Sacco as the leader of a larger national consumer products practice, he's quick to refocus on what will remain constant, saying, "I'm going to continue to serve our clients and Marcum team members and wake up every day focused on business development, growing the Marcum brand and training and mentoring our Marcum people to be the next generation of leaders."

The clients following Michael and his team from Friedman's practice will likely take com-

fort in uninterrupted access to their long-serving partner and other team members. As a bonus, they will now find an extensive menu of additional services available to support their growth.

In addition to Marcum's more substantial geographic footprint, the firm has a broad offering of specialized industry practices. For example, Friedman provided technology consulting services centering on data stewardship and cybersecurity solutions. Marcum clients – particularly those in industries that are increasingly dependent on sophisticated technological systems and eCommerce channels – have access to a much deeper technology consulting capability at Marcum.

"eCommerce is ever-evolving. At the beginning you needed a website. Now it's not just the website, but an app, branded social media, a strong virtual presence, latest ERP systems and warehouse management systems – all of which continue to evolve," said Sacco. "Meanwhile, there's a whole new suite of tools on the horizon, including drones and robotics, automation, metaverse malls, augmented reality, 5G integration and more. Marcum Technology is dedicated to helping clients become more responsive, profitable and sustainable in this environment by integrating technology solutions that have immediate impact on the business."

Another key area of service is Marcum's Trans-



“It’s imperative that our staff develop to offer continuity of service.”

— Michael Sacco



action Advisory Services group, which has a long history of guiding privately owned companies, PE firms, family offices, fundless sponsors, investment banking firms and middle-market companies through complex mergers, acquisitions, carve-outs and corporate formations in the United States and abroad. After all, it isn’t just the accounting industry that is seeing an increase in major combinations.

“Marcum has a top M&A group,” said Sacco. “Whether it’s quality of earnings, buy- or sell-side due diligence, deal structuring or buyouts, we can take on that work seamlessly to help ensure deals stay on track, opportunities aren’t missed and clients have the full spectrum of financial insight all in one place.”

Making it Work

Even with so much to look forward to, Sacco remains focused on the details. He understands the challenge of walking into an established practice with the responsibility of pulling it all together while meeting his commitments to existing clients and new colleagues.

“Thankfully, this is not a ground-up construction. Marcum’s people are their strength, and their consumer and industrial products team isn’t being built, it’s just expanding. As for my clients, I’ll continue to be by their side and will show them that more responsibility for me means better service for them.”

As for the national team? “The emphasis on

growth outside of New York will be new to me, but not to this team. We want a presence throughout the country so we can harness new opportunities and expand our services. To accomplish this, we will need more regional consumer and industrial product specialists, new lines of consulting services to offer, training for our staff and new relationships. At the same time, it’s important to me that our national group operates as one team.”

Furthermore, Sacco is arranging consumer and industrial products symposiums, monthly meetings and more to bring team members together, digitally and face-to-face.

He added, “It’s imperative that our staff develop to offer continuity of service.”