

By  
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## RSM US to acquire SecureState

RSM US LLP has signed an agreement to add the leaders and staff of SecureState, a security and privacy consulting firm based in Cleveland, and acquire substantially all of its assets.

The transaction is expected to close March 1, subject to certain terms and conditions. Financial terms were not disclosed, but SecureState had revenues last year of \$10 million. RSM US had annual revenue of \$1.98 billion and ranked 5th on Accounting Today's 2017 list of the Top 100 Firms.

As part of the deal, SecureState founder and CEO Ken Stasiak will join RSM as a consulting principal, along with more than 50 employees, who will remain in the firm's existing offices in Cleveland. RSM US has 799 partners, 7,079 professionals and 1,683 other employees, for a total of 9,560 employees.

The transaction will expand RSM's consulting practice and presence in the Ohio market, adding SecureState's information security expertise.

"Our expertise and service offerings represent a perfect fit for RSM's growing security and privacy practice," Stasiak said in a statement. "We are excited to join the foremost provider of consulting services to middle market leaders, and we look forward to continuing to serve our client base while at the same time helping RSM's many clients achieve stronger levels of security within their businesses."

The firm specializes has an incident response lab that deals with security problems such as data breaches.

"Consulting has been an area of rapid growth for RSM during the last several years," said RSM US managing partner and CEO Joe Adams in a statement. "I am constantly impressed by the team's ability to innovate and stay ahead of the changing needs of our clients. We are particularly pleased to expand our ability to provide security and privacy consulting solutions, and we look forward to the knowledge and expertise the SecureState team will bring to our firm."

Koltin Consulting Group CEO Allan D. Koltin advised both firms on the combination. "This was a real coup for RSM and will help to significantly expand their security and privacy consulting practice," he said. "Secure State was sought after both by many national accounting and consulting firms as well as private equity groups. Ken Stasiak is an incredible visionary and entrepreneur and he and his team will thrive in RSM."



Courtesy of RSM US LLP

## RSM Expands Consulting Services with Acquisition of SecureState

February 2, 2018 by [INSIDE Public Accounting](#)

Chicago-based **RSM US** (FY17 net revenue of \$2 billion) acquired **SecureState** of Cleveland, a national security and privacy consulting firm, effective March 1.

**Ken Stasiak**, founder and CEO of SecureState, will join RSM as a consulting principal, and his full team will transition to RSM upon closing. The transaction adds more than 50 individuals to the team.

“Cybersecurity is cited by middle market business leaders as one of the foremost risks to their business,” says **Brian Becker**, national consulting leader for RSM US. “We have been experiencing tremendous growth in our security and privacy services due to clients’ needs in this area. We are thrilled to enhance our ability to help existing clients and other middle market businesses address their cybersecurity concerns by joining forces with SecureState.”

“Our expertise and service offerings represent a perfect fit for RSM’s growing security and privacy practice. We are excited to join the foremost provider of consulting services to middle market leaders, and we look forward to continuing to serve our client base while at the same time helping RSM’s many clients achieve stronger levels of security within their businesses,” says Stasiak.

**Allan Koltin**, CEO of Koltin Consulting Group, who advised both firms on the combination says, “This was a real coup for RSM and will help to significantly expand their security and privacy consulting practice. Secure State was sought after both by many national accounting and consulting firms as well as private equity groups. Ken Stasiak is an incredible visionary and entrepreneur and he and his team will thrive in RSM.”

“Consulting has been an area of rapid growth for RSM during the last several years,” says **Joe Adams**, MP and CEO of RSM US. “I am constantly impressed by the team’s ability to innovate and stay ahead of the changing needs of our clients. We are particularly pleased to expand our ability to provide security and privacy consulting solutions, and we look forward to the knowledge and expertise the SecureState team will bring to our firm.”

## Accounting Firm RSM Acquires Security and Privacy Consulting Firm SecureState

JAN 31, 2018



RSM US LLP, a national accounting firm offering audit, tax and consulting services focused on the middle market, has acquired SecureState, a national security and privacy consulting firm located in Cleveland, Ohio. The staff and leaders will be joining RSM. The firms have signed a definitive agreement for RSM to acquire substantially all the assets of SecureState, and the transaction is expected to close on March 1, 2018 subject to certain terms and conditions.

"This was a real coup for RSM and will help to significantly expand their security and privacy consulting practice," said Allan D. Koltin, CEO of Koltin Consulting Group, who advised both firms on the combination. "Secure State was sought after both by many national accounting and consulting firms as well as private equity groups. Ken Stasiak is an incredible visionary and entrepreneur and he and his team will thrive in RSM."

This transaction expands RSM's consulting practice and its growing presence in the Ohio market by adding more than 50 talented individuals to the team. It also enhances the firm's growing security and privacy practice through SecureState's deep knowledge and expertise in information security – from compliance and risk awareness to incidents and breaches, as well as its state-of-the-art incident response lab. Ken Stasiak, founder and CEO of SecureState, will join RSM as a consulting principal, and his full team will transition to RSM upon closing.

"Cybersecurity is cited by middle market business leaders as one of the foremost risks to their business," said Brian Becker, national consulting leader for RSM US LLP. "We have been experiencing tremendous growth in our security and privacy services due to clients' needs in this area. We are thrilled to enhance our ability to help existing clients and other middle market businesses address their cybersecurity concerns by joining forces with SecureState. This is yet another example of RSM's commitment to being at the forefront of the evolving needs of middle market businesses."

RSM and SecureState share a client-centric approach to doing business, with a focus on building enduring, trusted relationships. Both firms offer superior service to clients in the middle market.

“We are thrilled to be joining RSM,” said Stasiak. “Our expertise and service offerings represent a perfect fit for RSM’s growing security and privacy practice. We are excited to join the foremost provider of consulting services to middle market leaders, and we look forward to continuing to serve our client base while at the same time helping RSM’s many clients achieve stronger levels of security within their businesses.”

“Consulting has been an area of rapid growth for RSM during the last several years,” said Joe Adams, managing partner and CEO of RSM US LLP. “I am constantly impressed by the team’s ability to innovate and stay ahead of the changing needs of our clients. We are particularly pleased to expand our ability to provide security and privacy consulting solutions, and we look forward to the knowledge and expertise the SecureState team will bring to our firm. This is another important step toward strengthening our position as the first-choice advisor to middle market leaders—globally.”

The team from SecureState will continue to be located in their existing offices at 23340 Miles Road in Cleveland, after completion of the transaction.

CRAIN'S

# Cleveland Business

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January 31, 2018 10:33 am

## RSM to expand consulting in information security with acquisition of Cleveland's SecureState

By JEREMY NOBILE



National accounting firm RSM US LLP has announced its acquisition of Cleveland-based SecureState, a global management consulting firm focused on information security.

The firms have signed a definitive agreement for RSM to acquire all assets of SecureState upon the deal's expected close date of March 1. Financial terms of the deal were not disclosed.

RSM, which is based in Chicago and focuses on audit, tax and consulting services, is the seventh-largest accounting firm in the Northeast Ohio market by number of local CPAs with about 86, according to *Crain's* research. They have about 127 full-time employees in this market in total.

The acquisition of SecureState, founded in 2001, bolsters RSM's security and privacy practice and adds more than 50 people to the company.

All staff and SecureState's office, which is in Bedford Heights, are expected to be retained with the deal. SecureState founder and CEO Ken Stasiak will join RSM as a consulting principal upon the deal's closing as the two firms combine.

"Cybersecurity is cited by middle market business leaders as one of the foremost risks to their business," said Brian Becker, national consulting leader for RSM, in a statement. "We have been experiencing tremendous growth in our security and privacy services due to clients' needs in this area. We are thrilled to enhance our ability to help existing clients and other middle market businesses address their cybersecurity concerns by joining forces with SecureState. This is yet another example of RSM's commitment to being at the forefront of the evolving needs of middle market businesses."

SecureState was named as one of *Crain's* Fast 50 companies — which recognizes the market's fastest-growing companies — in 2014.

"We are thrilled to be joining RSM," Stasiak added. "Our expertise and service offerings represent a perfect fit for RSM's growing security and privacy practice. We are excited to join the foremost provider of consulting services to middle market leaders, and we look forward to continuing to serve our client base while at the same time helping RSM's many clients achieve stronger levels of security within their businesses."

Allan Koltin, CEO of Koltin Consulting Group in Chicago who advised both firms in the deal, said the acquisition is particularly meaningful for RSM as it continues to grow.

"This was a real coup for RSM and will help to significantly expand their security and privacy consulting practice," he said. "SecureState was sought after both by many national accounting and consulting firms as well as private equity groups. Ken Stasiak is an incredible visionary and entrepreneur and he and his team will thrive in RSM."

RSM is the fifth-largest accounting firm in the United States, according to *Accounting Today's* 2017 rankings. The company, which reported revenue of \$1.8 billion in 2016, claims more than 43,000 employees in more than 120 countries.

M&A strategies for accounting firms remain active as companies look to not only grow but diversify their offerings and footprints to claim market share.

In Northeast Ohio, the RSM deal follows New Philadelphia-based accounting and advisory firm Rea & Associates acquiring Cleveland's Walthall CPAs, a deal announced in September. The last sizable deal here involving a large buyer from Illinois came in 2016 with Sikich LLP's acquisition of Brockman, Coats, Gedelian & Co. And two years before that, BDO USA LLP claimed a foothold here with its acquisition of SS&G Inc.

# Accountancies BDO and RSM acquire consulting firms in the US

15 February 2018 Consultancy.uk

*Accountancy professional services firms BDO and RSM have both completed acquisitions of US-based consultancies. The deals, for PBC Advisors and SecureState were both advised by Allan D. Koltin, CEO of Chicago-based Koltin Consulting Group.*

The US consulting industry is the globe's largest and most mature market of its kind, accounting for nearly half of the world's consulting economy. According to the latest available data, the US advisory scene has seen sustained expansion over the past five years in particular, having recently seen growth of 7.1%, as it reached a value of \$58.72 billion.

The size and continued growth of the US consulting market, with the backdrop of a steadfastly bullish US economy, has made mid-sized consulting firms in America hot commodities. A recent surge of merger and acquisition activity in the market has seen Capgemini spend \$500 million on US customer engagement firm Liquihub, while EY's American consulting wing purchased Citizen, a strategic digital design firm based in Portland, Oregon, for an undisclosed fee. Insight Strategy Advisors, a US-based management consulting firm for the life sciences industry, was acquired by Precision Medicine Group, among other deals in a hectic January.

The rash of activity has continued into February with two more high-profile acquisitions. Global professional services firm BDO has purchased health industry advisory PBC, while RSM has completed a deal for global management consulting firm focused on information security, SecureState.

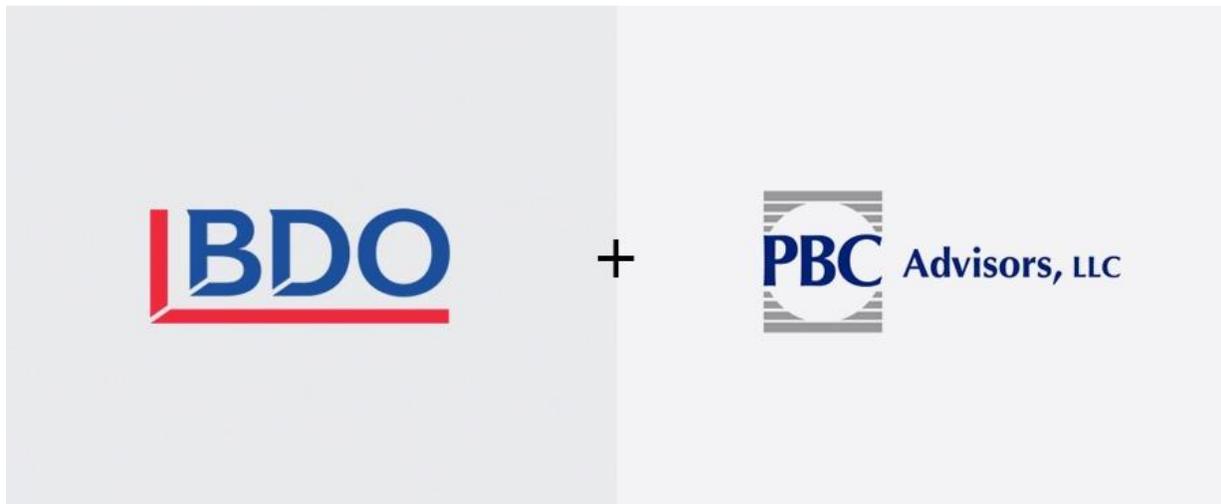
## **BDO buys PBC Advisors**

As the American health consulting sector continues to heat up, amid sustained uncertainty in the sector following a continued inability by the current Whitehouse administration to pass legislation regarding the future of state healthcare provision, multiple M&A deals have taken place. As clients look to prepare for an uncertain future, activity for sought after consultancies in the sector has seen a major boost. Most recently this was exemplified by DAS Health, which acquired Integra to strengthen its healthcare IT offering.

Now, BDO USA has expanded its health care advisory services practice by merging in the consulting division of PBC Advisors, a firm based in Oak Brook, Illinois, near BDO's Chicago home base. PBC Advisors has been advising physicians and hospitals for more than 30 years in areas such as mergers,

strategy development, interim management, financial operations, medical group formation, and provider-sponsored health plan development.

PBC Advisors' accounting, tax and wealth management divisions will still operate independently under the PBC Advisors brand, but will join BDO Alliance USA, an association of accounting, consulting and professional services firms. They will continue to operate from its existing offices in Oak Brook, but elsewhere, the deal sees three executives from PBC – Chad Beste, Jim Watson and Janet Bliss – become Partners at BDO, while nine other professionals are also joining the firm, collectively relocating to BDO's office. BDO, which last year brought in annual revenues of \$1.41 billion, now has approximately 300 professionals in its health care practice. Financial terms of the deal were not disclosed.



Jay Duke, National Managing Partner for advisory Services at BDO USA, said of the deal, “We are extremely pleased to build on our presence in the Chicago market and add complementary resources to our national healthcare advisory services practice and The BDO Center for Healthcare Excellence & Innovation. This is truly a win-win scenario, as we receive an injection of new talent and service offerings, while PBC's clients benefit from an expanded array of services.”

PBC Advisors also sees the BDO merger as a good opportunity, using it as a way to expand beyond the Chicago market. Chad Beste said of the agreement, “To reach the next level of growth and expand our footprint, we need the national brand name and resources that BDO can provide. As part of BDO, we will have the national platform and channels to continue building on our success.”

### **RSM acquires SecureState**

2018 theoretically presents a major opportunity for consulting firms looking to enhance their position within the cybersecurity space. After 2017 not only saw a huge spike in cyberattacks – such as the WannaCry hack which impacted computers used by the UK's NHS, among others – but two major cybersecurity consultancies suffer from breaches. The world's largest cybersecurity firm Deloitte suffered a major attack which could have lasted for several months, while Accenture, the sixth largest such firm, was found to have left a large cache of sensitive information without password protection on their cloud storage.

Since then, multiple firms have leveraged M&A activity to strengthen their arm in the space. Most recently, this saw KPMG acquire cybersecurity business Cyberinc, adding 190 experts to its global workforce.

Now, professional services firm RSM has bolstered the cybersecurity offering of its US wing, announcing the acquisition of Cleveland-based SecureState, a global management consulting firm focused on information security. Financial terms were not disclosed for the definitive agreement between the two firms, which sees RSM acquire all assets of SecureState upon the expected close date on March 1st.



SecureState, founded in 2001, was named as one of Crain's Fast 50 companies – which recognises the market's fastest-growing companies – in 2014. Now, as the firm looks to further boost its growth prospects, its integration into RSM will allow it access to a number of global markets. The acquisition also bolsters RSM's security and privacy practice, and will add SecureState's entire workforce of more than 50 people to the company, taking RSM's total number of full-time employees in the sector to 127. This will also see SecureState founder and CEO Ken Stasiak join RSM as a Consulting Principal upon the deal's closing as the two firms combine.

Brian Becker, National Consulting Leader for RSM, said in a statement regarding the deal, "Cybersecurity is cited by middle market business leaders as one of the foremost risks to their business. We have been experiencing tremendous growth in our security and privacy services due to clients' needs in this area. We are thrilled to enhance our ability to help existing clients and other middle market businesses address their cybersecurity concerns by joining forces with SecureState. This is yet another example of RSM's commitment to being at the forefront of the evolving needs of middle market businesses."

Ken Stasiak added, "We are thrilled to be joining RSM. Our expertise and service offerings represent a perfect fit for RSM's growing security and privacy practice. We are excited to join the foremost provider of consulting services to middle market leaders, and we look forward to continuing to serve our client base while at the same time helping RSM's many clients achieve stronger levels of security within their businesses."

## **Deal advisor**

Allan D. Koltin, CEO of Chicago-based Koltin Consulting Group, advised all four firms on both deals. Commenting on the PBC deal with BDO, Koltin commented, "The consultants of PBC Advisors chose BDO because of their compatible cultures and BDO's depth of resources in health care. The combination brings together one of the top healthcare consulting groups in the Greater Chicago region and BDO's comprehensive, national healthcare practice to provide wide-ranging services across the industry."

Regarding RSM's purchase of SecureState, meanwhile, Koltin said the acquisition is particularly meaningful for RSM as it continues to grow. He stated, "This was a real coup for RSM and will help to significantly expand their security and privacy consulting practice." he said. "SecureState was sought after both by many national accounting and consulting firms as well as private equity groups. Ken Stasiak is an incredible visionary and entrepreneur and he and his team will thrive in RSM."