

## Citrin Cooperman and Berdon unite in megamerger

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Citrin Cooperman and Berdon, a pair of New York-based Top 50 Firms, are coming together to form a \$600 million megafirm, fueled by private equity investment.

Citrin ranked No. 23 on *Accounting Today's* 2022 list of the Top 100 Firms, with \$350 million in annual revenue (although it has been involved in a number of M&A deals over the past 15 months that have since added roughly \$200 million to its revenue), while Berdon ranked No. 47 and is bringing \$110 million in annual revenue to the combination, including 450 partners and associates. Citrin has over 260 partners and 1,200 employees. Together the firms will have over 2,400 professionals.

"This is the combination of what we think are two of the strongest firms in the country," said Citrin Cooperman executive chairman Joel Cooperman and CEO Alan Badey in a joint statement. "We have long admired Berdon and their well-earned reputation for client service and technical expertise. Our values, cultures and industry niches align perfectly with each other, and we look forward to working closely with the Berdon team."



*Citrin Cooperman's Fairfax, Virginia office*

Citrin has been doing a string of M&A deals since private equity firm New Mountain Capital bought a controlling interest of 60% in the firm in October 2021, but this is the biggest deal so far. The New Mountain investment prompted the firm to split off its non-attest side into Citrin Cooperman Advisors, while the attest side is known as Citrin Cooperman & Co.

With today's deal, Berdon's nonattest business is becoming a wholly owned subsidiary of Citrin Cooperman. Berdon co-managing partner Mark Bosswick will become Citrin Cooperman's New York Metro managing partner and a member of the company's board of managers, while co-managing partner Stuart Kotler will continue to serve as the managing partner of Berdon, which will continue to provide attest services to its clients and operate in an alternative practice structure with Citrin Cooperman.

"Our team is incredibly excited to be joining Citrin Cooperman and that excitement stems from the clear synergies we see between our two firms and from the fact that we will now be able to offer our clients and personnel a wider array of resources and offerings," they said in a joint statement.

The deal is just the latest since New Mountain Capital bought a controlling interest in Citrin. Last September, Citrin acquired Murray Devine Valuation Advisors, an independent advisory firm headquartered in Philadelphia. In August, it acquired Untracht Early, an accounting firm in Florham Park, New Jersey. In July, it expanded into Chicago by acquiring Shepard Schwartz & Harris, and added Kingston Smith Barlevi, in Los Angeles. In April, Citrin added McNulty & Associates, a consulting firm in Westford, Massachusetts, and in March, it merged in Appelrouth, Farah & Co. in Coral Gables, and Bloom, Gettis & Habib in Miami, as well as music industry consultancy Massarsky Consulting in New York. In November 2021, it added OLC Management, a California-based business management firm.

The Berdon deal marks Citrin Cooperman's tenth transaction in the past 15 months, growing its revenue by over \$200 million and establishing new offices in Chicago, Miami and Beverly Hills.

Koltin Consulting Group CEO Allan Koltin advised both groups on the combination. "Berdon was sought after by almost every major CPA and advisory firm in the country but chose Citrin Cooperman as the best strategic and cultural fit," he said in a statement. "Berdon's leadership saw great growth opportunities for their talent and increased abilities to provide expanded depth and resources for their clients. Citrin Cooperman's relationship with New Mountain Capital is transforming an already great firm into an amazing 'firm of the future'. Their combined strategy is a rather simple one: grow your people, grow your clients, and everything else will follow."

In contrast, Berdon is not as active on the M&A front, and its last publicly announced mergers were in 2019 with Concept Fund Services, a Garden City, New York-based firm and in 2017 with Koch Group and Company in New York City.

"The combination with Berdon represents an important milestone in New Mountain's strategic growth partnership with Citrin Cooperman," said Andre Moura, managing director of New Mountain Capital in a statement. "Berdon brings a unique expertise and a strong reputation in the market and the combined firm will have greater technical capabilities, technology, and scale to better serve its clients. New Mountain Capital is excited to work with Citrin Cooperman as the firm continues its growth trajectory."