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Cleveland: H&S talent source

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CLEVELAND H&S TALENT SOURCE

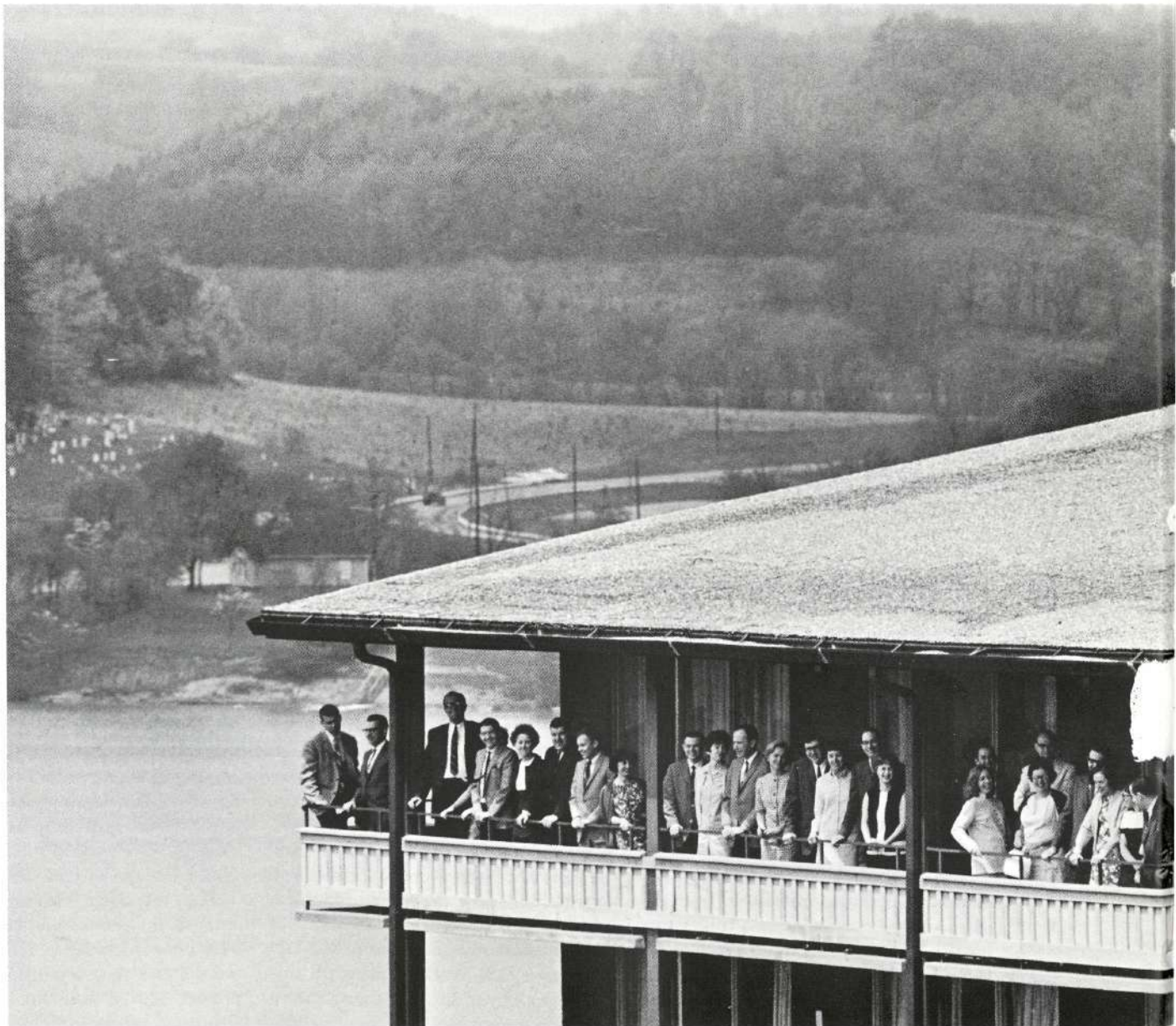
"The Cleveland Office is really a typical H&S Office... average-sized, and nothing especially unique about it." Doug Newell, principal, was talking with Bob Jirovec of the staff as they drove back to Cleveland in the rain through the lush, rolling Ohio countryside from Atwood Lake, where the office management group and senior accountants had just spent two days for out-of-office training and stock taking. Pictures show them in discussion and arrayed on a balcony at the Atwood Lake Lodge, ninety miles south of Cleveland.

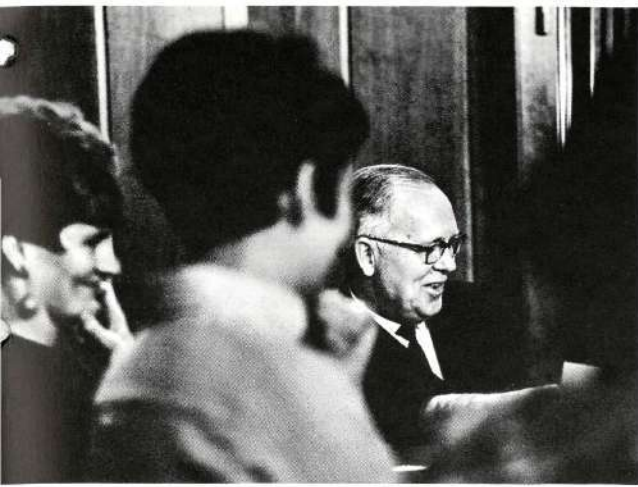
Wives were invited, too, partly to celebrate the end of their husbands' busy season and partly to renew ac-

quaintances away from duties of home, hearth and nursery. Elmer Beamer, partner in charge, had met with the wives to answer questions about the Firm and the men's careers. Everybody agreed they should all get together like this more often.

Jeanne Newell and Carol Jirovec were in the car, too, and were asking their husbands leftover questions they hadn't gotten around to asking Mr. Beamer. Doug and Bob were answering them together as best they could:

"You might say that everyone helps manage the office. . . . Mr. Beamer likes us to come in not just with problems but answers. . . . Cleveland is a good





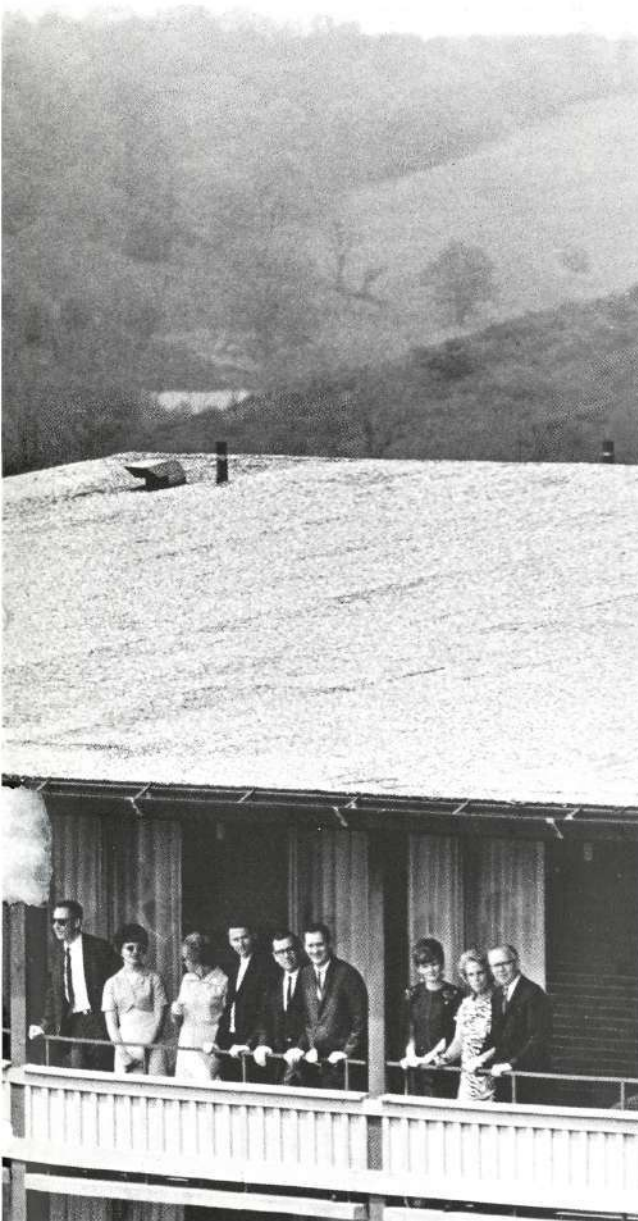
place for learning to manage an office. ... Burgess Geib running Minneapolis, Phil Sandmaier in Philadelphia, and Bill Quinlan in Indianapolis, all got their early training in Cleveland." They went on naming partners and principals more recently supplied to the Firm by Cleveland: Ed Lang in charge of personnel for the Firm, Marion Medich in Santiago, Dick Snee in Lima (Peru), Joe Elmlinger and Grant Bowen in Columbus, Bill Miller in the New York Office, and Dick Schaab and Dave Bertrand in the Executive Office.

"The transfers help to keep us on our toes," they went on, "transfers, plus the rotation of our staff on engage-

ments. We always seem to have plenty of room for advancement.

"We have lots of chances to experiment... Our men go to New York for the newest procedures... Jack Favret (partner) has been there this year to help develop accounts-payable procedures... We work with the latest programs as fast as they're released—the revised internal control questionnaire, the new audit program for transactions, statistical sampling and Auditape.

"In Cleveland we push professional growth and development," they summed up, as the city limits loomed through the wet windshield and the talk turned to baby sitters.



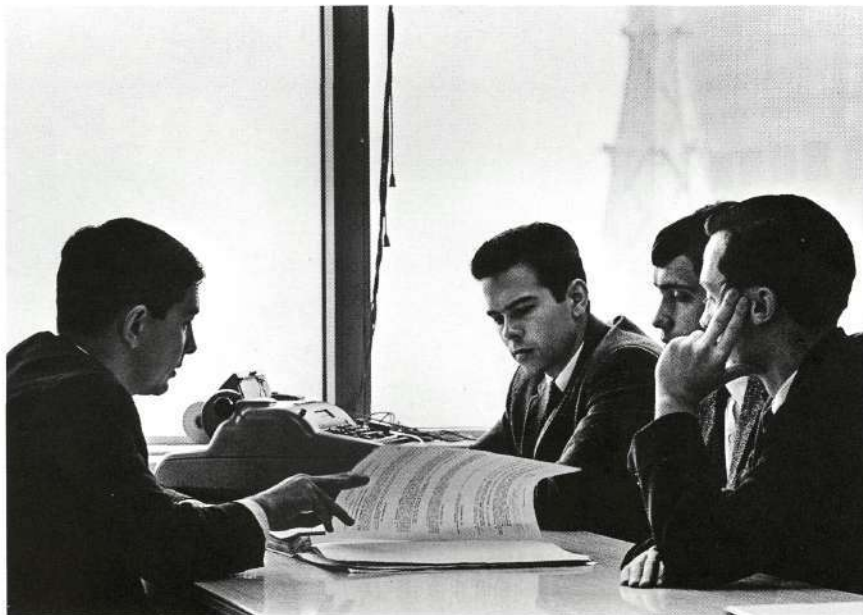
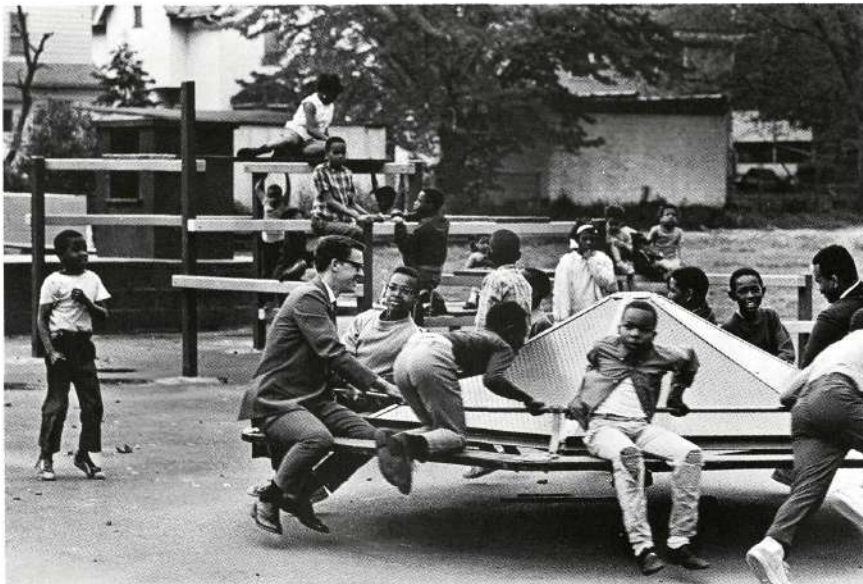
RENEWAL IN CLEVELAND

A talent source has need of wellsprings, and the colleges and universities of Ohio have been dependable wellsprings for H&S Cleveland since it began to grow with a kind of second surge in 1941. In that year Edmund A. Clarke became partner in charge with a staff of only five, but with plenty of vision for what an accounting firm could do in Cleveland. (By the time he turned 80 last September 23, Mr. Clarke had been with H&S fifty years.) Lad Rehula is the only other man left from those pre-war days, and he has spent more than half his time this year far from Cleveland on a significant engagement in Brazil. But he still keeps in touch with his alma mater, Ohio State, as Commerce College representative on the Alumni Board.

Elmer Beamer and his teammates have long been familiar figures on Ohio

campuses. (Mr. Beamer—see photo—took charge of the office just before Mr. Clarke retired in 1952.) He organized a committee of partners and principals who visit a dozen colleges each year. Jim Delaney is the coordinator. In fact, it has been said of Elmer Beamer that no practicing accountant in the country knows more or cares more about accounting education.

Several years ago Mr. Beamer headed an inquiry culminating in a report that will probably result in major changes in the education and experience required for becoming a CPA. He has served as chairman of seven committees of the American Institute of CPAs dealing with education, and it is his favorite subject for lectures and articles. He once wrote that the most important knowledge for an accountant or anyone else is found in the lesson from



St. John's Gospel: "Except a man be born again, he cannot see the Kingdom of God."

This faith in the process of rebirth, or renewal, he applies to individuals, to the office, to the city of Cleveland, and to human institutions anywhere, including, of course, the Ohio Society of CPAs, which has traditionally had the dedicated support of H&S. This year Pete Ruma and Jim Delaney hold committee chairmanships, and seventeen other committee memberships are held by Cleveland office members. The Society and Chapter are important meeting grounds for practicing accountants and educators.

The Cleveland Office brings groups of accounting students to town for a first-hand look at "what the practice of public accounting is really like," as Mr. Beamer put it in greeting students from

Cleveland State University, seen viewing the H&S Auditape film at the Cleveland Athletic Club (*photo below*). After lunch, Tony Kozak who joined the Cleveland staff after graduating from Cleveland State in 1967, told them about his first year in public accounting. He told it like it is:

"You count lots of cash and observe counts of lots of inventories. You do tests of transactions and some statistical sampling. Sometimes getting along with people can be a problem. They don't always cooperate. You have to learn the art of being friendly and independent at the same time. You always have to keep your cool; you always have to cope somehow. But nowhere in industry will you find the scope and variety we have in public accounting. I was on fifteen engagements my first year, only four of them for

longer than four weeks and none for more than eight. We have a counseling system here so that each of us has regular conferences with a partner or principal on how we're doing."

In the afternoon, three of the students went back to the office, where Dan Oxford of the staff showed them what's involved in the review of working papers (*photo*).

You find H&S people helping to renew Cleveland at all levels, from persuading new industry to locate there, to building playgrounds for kids who would otherwise play in the streets. Jim Delaney, principal, is now treasurer of the Cleveland Jaycees, which has as a project the building of "Totlots" like the one where Dan Moses of the staff is seen getting thoroughly "involved in the community," but mostly dizzy (*photo, opposite*).



"CLEVELAND NOW!"

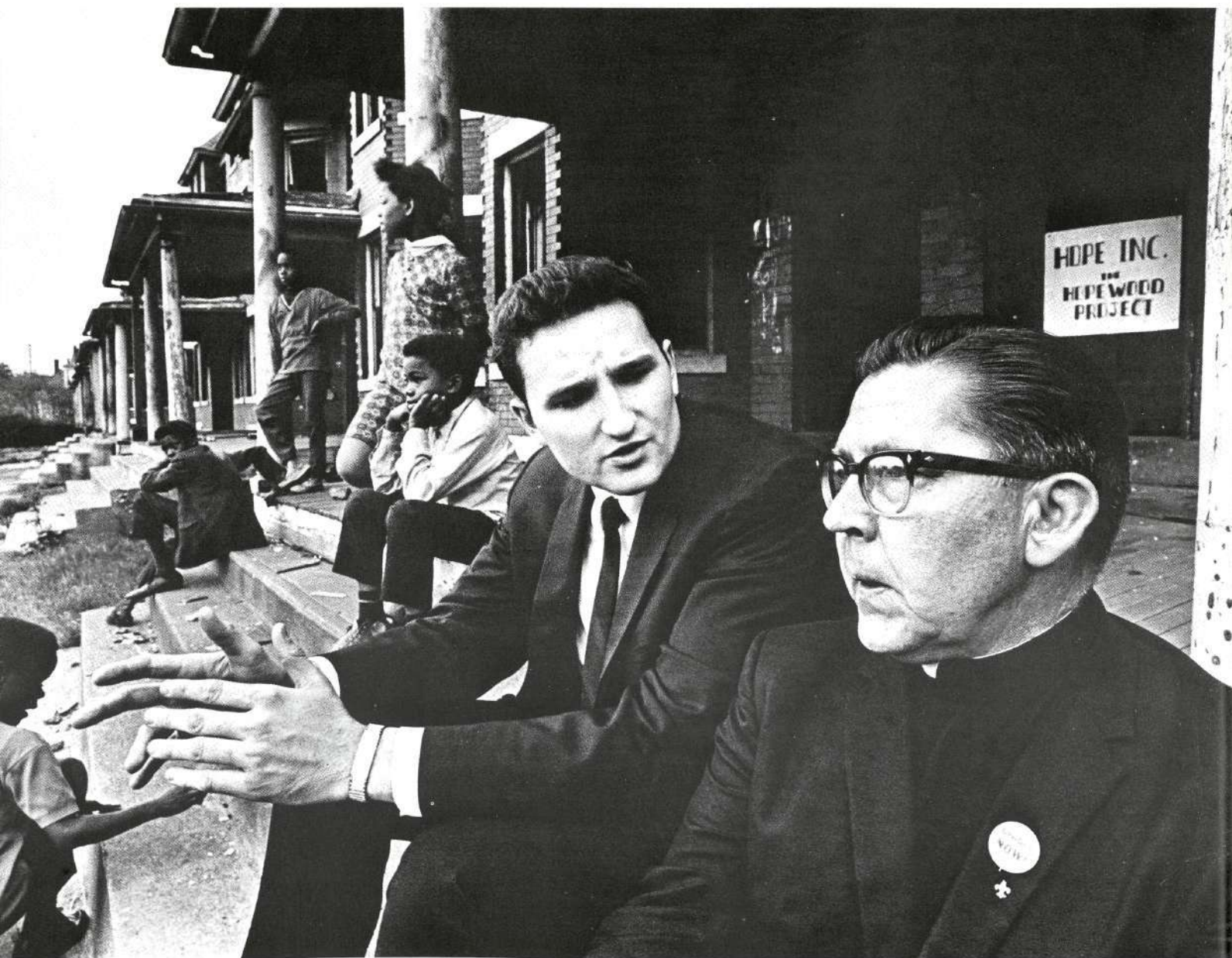
Cleveland's new lease on life is giving a ray of hope to the nation's cities. As principal Dick Miller's wife, Mary Kay, put it, "Cleveland was dying. Now it's going again."

That Cleveland was a racial trouble spot became apparent after the five-day riots two years ago had left four dead in the Hough district, Cleveland's predominantly Negro inner city. For a while afterward, the city seemed dazed by the experience, and little happened. When after six months few corrective measures had been taken, federal urban renewal funds were withheld. There were dire predictions of an explosion in the summer of 1967. Cleveland was called everything from "a racial powder keg" to "Target City."

But Cleveland turned a corner. The turning point was a visit in April 1967 by the late Reverend Dr. Martin Luther

King, Jr. It was followed by a successful campaign for mayor by Carl B. Stokes, a forty-year-old Negro attorney. Mr. Stokes won with the support of many businessmen and the financial backing of some of Cleveland's oldest families. R. W. Maxey, vice president of the Glidden Company, an H&S client, was chairman of the Businessmen's Committee for Stokes.

Today it seems clear, hearing our H&S people tell about it, that Cleveland looked into the pit and recoiled from what it saw. Though there have been subsequent disorders, Mayor Stokes has continued to attract widespread support with his fair but firm management of the trouble spots, and citizens have doubled their efforts behind his programs, bundled under the heading "Cleveland: Now!" Mary Kay Miller calls it "a real political change



... a real commitment to Stokes... He's out in the streets all night talking to people... people chipped in a day's salary and raised a million dollars in a week."

The business community got involved. Elmer Beamer and partner Jack Favret took a course, Planning the Urban Environment, at Case-Western Reserve University. Actually, involvement is nothing new to them or to others at H&S. Mr. Beamer is on his second term as city councilman of Shaker Heights, a post to which he was elected two years ago. He figures it called for 140 hours of his time in 1967. Lad Rehula has been chairman of the Citizen's League committee that interviews candidates for public office and evaluates their qualifications.

Much of what is done by our people and their families is done quietly, like

putting up box lunches for the Peace March or giving eye tests to disadvantaged preschool children. Partner Bill LaPlace helps the Cleveland Seamen's Service, a client that extends hospitality to foreign sailors from ships that ply the St. Lawrence Seaway. With Miss Ruth Hart, Secretary of the Service, and the ship's captain, he is seen aboard a British freighter loading cargo for Japan (*photo, below*).

At times, involvement is with widely known projects like HOPE (Housing Our People Economically), a federally funded program, which Jack Favret advises in the course of our audit engagement. One of HOPE's major functions is the rehabilitation of badly run-down Hough property, which Jim Richlak, a member of the H&S staff, is discussing with Father Albert, HOPE's president (*photo on opposite page*).

In sum, Clevelanders are seeing to it that Cleveland is a good place to work and live. The parks are great for cycling, favorite sport of Ken and Susan Cohen (*photo*). Ken is an H&S interne while finishing law school at Case-Western Reserve. He and Susan came to Cleveland from New York, where they met at a college party, and they've come to like this city of trees, lawns and gardens, where schools are good, 60 per cent of the families own their homes, and a wide choice of residential areas is available. The one they chose was Ludlow, a part of Shaker Heights and a top-drawer suburb that has pioneered successfully in racial integration. The story of integration in Ludlow is what the *Reader's Digest* recently called "a unique and moving chapter in the history of race relations in the United States."



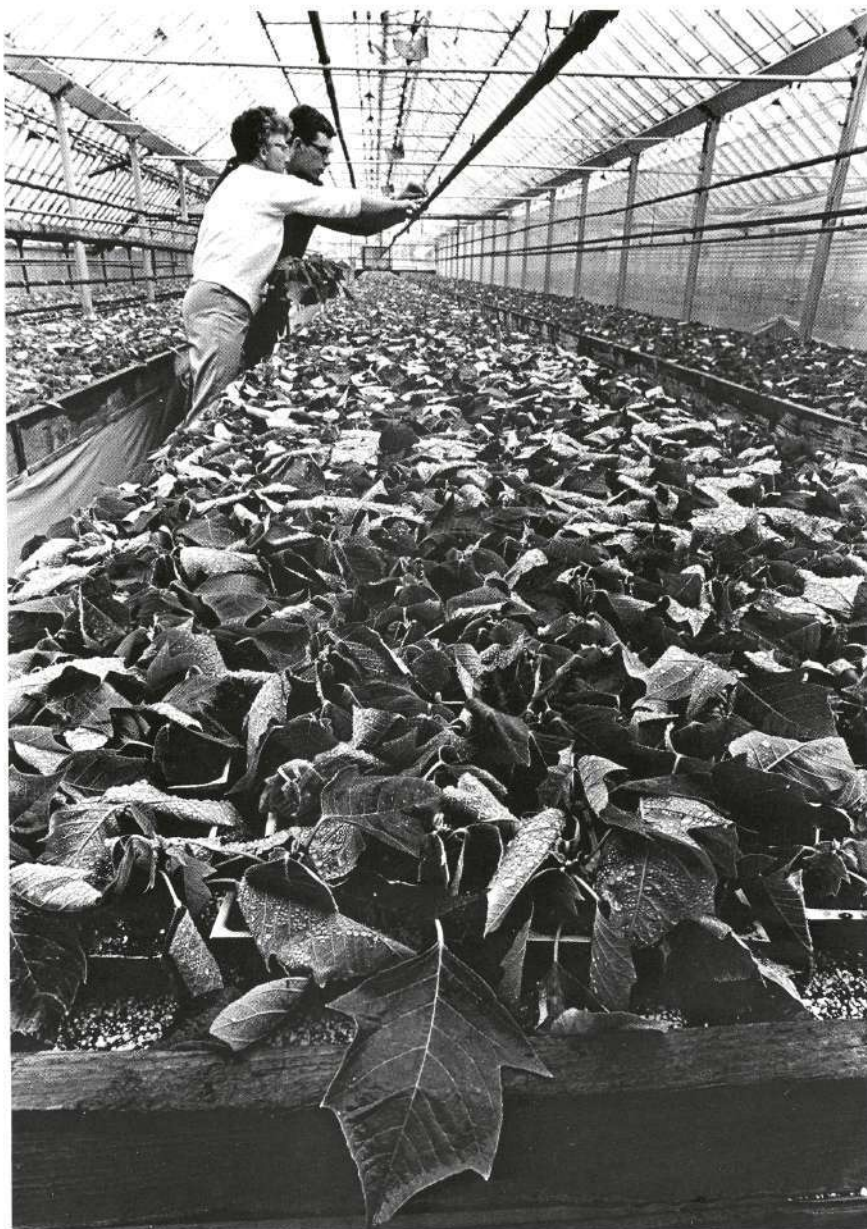
CLEVELAND "BEST LOCATION IN THE NATION"

An objective public accountant, Elmer Beamer does not hesitate to make this claim, which became second nature to him when he was chairman of the speakers bureau of the Greater Cleveland Growth Board. He backs it up with evidence, like the fact that a large number of *Fortune's* top 500 manufacturing companies are headquartered in Cleveland—only three other American cities have more.

Cleveland is a heavy-industry town. Its prosperity starts with Great Lakes iron ore, which comes together in Cleveland with coal from fields just south and east to form a center for steel and steel products, and ultimately for metal making generally. The automotive industry was practically born in Cleveland, and at one time or another eighty different makes were built there. Today, the area's manufacture of trans-

portation equipment is second in payrolls only to the machinery and machine tool industry. General Motors has 13 units there, and H&S Cleveland consequently sees a larger slice of that extraordinary corporation than any office but Detroit and the Executive Office. Principal Dick Miller (*right in photo, opposite*) is shown talking with Fred Dingeldein, Divisional Auditor of GM's Earthmoving Equipment Division, about the life expectancy of the mammoth Series TS-24 Euclid twin scraper as they pass a line of rampant yokes that will harness scraper boles to tractors.

Another client contributing to the automotive industry is Molded Fiber Glass Body Company, that makes car bodies and components as well as boats, institutional chairs and structural elements for the transportation and



construction industries. Pete Ruma of the Cleveland staff (*left in small photo, opposite*) asks G. C. McDonough, MFG Treasurer and former member of the H&S staff, about the process by which glass fibers and resin are blown simultaneously onto a mold to form a structural shape, seen behind them.

Allied also to the automotive industry is the Lubrizol Corporation, started in a garage forty years ago making break-in oil for new motors, and now the world's largest independent organization in the development, manufacture and marketing of additives for motor oils, fuels and gear oils. Heart of the operation is the Lubrizol chemical laboratory, one of the four hundred research labs around Cleveland that make the area the fourth largest R&D concentration in the country. Bob Jirovec of the audit staff chats with Harry

Ferber, analytical chemist, on tour of Lubrizol's research facilities (*photo, below*).

Perhaps the dominant economic characteristic of the Cleveland area is its diversity. You can have just about anything made there, and it excels in surprising fields. Would you believe it has the largest concentration of greenhouses anywhere in the world? In one of these, James Mikkelsen has revolutionized the poinsettia, that Christmas plant that used to come only in red and was so short-lived it was hardly worth getting. Mikkelsen poinsettias can now be had in four colors and live four to six months. Four out of five poinsettias sold in the U. S. are grown by the Mikkelsen patented process, which Dave Jones of the H&S staff is talking about with Mrs. Mikkelsen (*photo, opposite*).

When Elmer Beamer winds up with

his pitch to bring new business to Cleveland, Edmund Clarke can't help reminiscing about how it was when he first came to Cleveland: "It was morning to night in the field—Mansfield, Columbus, Zanesville, Toledo—you name it. With gas rationing, it was mostly by train or bus. When we stayed in one small-town hotel, we always had to bring our own lightbulb, window screen, and a stick to prop open the spring-operated water faucet. Now with these superhighways..."

"And what city can give you a jet airport on the lakefront five minutes' walk from your office?" asks Mr. Beamer, knowing the answer to his satisfaction. "We're within five hundred miles of over half the U. S. and Canadian populations, over half this country's wholesale and retail sales, manufacturing plants, bank deposits and..."

