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Jacksonville: An Office Profile

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Just a short drive from the southern border of Georgia, dominating the north-east corner of Florida, lies Jacksonville, the largest city in area in the forty-eight contiguous states. Indeed, Jacksonville's 840.1 square miles give it more area than New York City and Los Angeles combined. But even in a nation that has an almost mystical reverence for numbers and is given to boasting of being the biggest and the best, statistics tell only part of the story.

Numbers can help put things in perspective sometimes, especially for those whose concept of Florida has been shaped by the image of orange trees and tropical sunsets seen from under swaying palms on the sands of Miami Beach. The most populous city in Florida, with about 585,000 people, Jacksonville ranks third in the southeast and twenty-third in the country. It enjoys four distinct seasons, with few of the temperature extremes of cities lying farther south or to the north. The mean temperature in December, for example, is about fifty-five degrees, while in summer it is eighty degrees. Rainfall

averages about fifty-five inches annually, and the city enjoys an average of 277 days of sunshine out of every 365.

Jacksonville's history and economy have been shaped by its location near the mouth of the St. Johns River, providing easy access to the Atlantic Ocean and the Intracoastal Waterway, its excellent deep-water port facilities, and its location central to key markets in the south and south-east. The city lies 350 miles from Miami, the same distance from Atlanta, 390 miles from Charlotte, North Carolina and 450 miles from Birmingham, Alabama.

The roots of Jacksonville stretch back to the first stirrings of European exploration and conquest of the New World. In April of 1562, only seventy years after the first voyage of Columbus and fifty-eight years before the Pilgrims came ashore at Plymouth, a band of French explorers led by Jean Ribault anchored at the mouth of the St. Johns. A year later a colony was established at Fort Caroline, where the river meets the Atlantic, by a band of French Huguenots, marking the first Protestant colony on the continent.

Jacksonville

Four Seasons in the Sun





The New World's first white child was born in Fort Caroline before the settlement was destroyed and all but a handful of the colonists massacred by Spanish troops from St. Augustine, the oldest permanent settlement on the continent.

In 1816 the first permanent settler, Lewis Zacharia Hogans, came to Jacksonville, then called Cowford. Hogans was joined by other settlers, and a thriving community soon flourished. Cowford was renamed in honor of General Andrew Jackson, then the territorial governor, in 1822. During the 1870s and 1880s Jacksonville was the nation's most popular winter resort. Trade, bolstered by steamboat traffic on the St. Johns, helped spur the city's growth.

By the early 1890s the tourists began moving south to new resorts such as St. Augustine, and so did the citrus-fruit industry, the latter as a result of a severe winter in 1894-95 that killed most of the commercial citrus trees. In 1901 a fire spreading over 466 acres destroyed 2,400 buildings before burning itself out eight hours later. Ten thousand people were left homeless.

The rebuilding, begun as soon as the ashes had cooled, is, in a sense, still under way. Since the 1950s many of the largest insurance companies, bank holding companies and financial institutions headquartered or located in Jacksonville have spearheaded a redevelopment of the downtown and waterfront sections that is gradually bringing a new vitality to the city and its business, social and cultural communities.

Haskins & Sells, the first of the Big Eight public accounting firms to come to Jacksonville, opened an office in that city in February 1926 with Gordon Hill, now retired, as partner in charge. In March of last year the office moved to new quarters on the twelfth floor of the Atlantic Bank Building, constructed in 1975.

"Jacksonville was the first office the Firm opened in Florida," Jack E. Brooks, the office's partner in charge, said. "I understand we covered the entire state

of Florida at that time, and it wasn't until 1961, when we merged with Pentland, Purvis, Keller & Company, that the Firm's major expansion into other Florida cities reduced the amount of travel the Jacksonville people had to do. Now, of course, we have offices in Miami, Ft. Lauderdale, Orlando, Palm Beach and Tampa.

"The state of Florida passed what is usually called the 'snowbird law' in 1932, which was designed to give protection to local professionals from northerners who used to come to practice in Florida during the winter months. As a result of the law, H&S and one other firm were the only members of the Big Eight permitted to practice under their own names. The law was changed in 1969, and now all of the Big Eight have offices in Jacksonville. Our long and close ties with the city, however, have helped us build and maintain a major practice here," he said.

Born in Raiford, Florida, Jack Brooks joined the Jacksonville office of H&S in 1956 after graduating with a BS degree in business administration from the University of Florida. He was admitted to the Firm in 1967 and named PIC in Jacksonville in 1974, succeeding Phil Schuele, who retired in 1976. Jack, long active in the Florida Institute of CPAs and presently a member of its ethics committee, credits much of the strength of H&S in the Jacksonville area to the efforts of Phil Schuele, who was PIC for seventeen years.

The office's second partner, Roland L. Voigt, was born in Galveston, Texas and graduated from Lamar University in 1963 with a BBA degree. Roland joined the Houston office of H&S in 1963, became a partner in 1975, and transferred to Jacksonville that same year.

In addition to Jack and Roland, the Jacksonville office has thirty professionals who are responsible for a diversified practice, less than 15 percent of which is of a participating nature.

"The biggest part of our practice is audit, of course," Jack pointed out, "but tax services now account for about 12 percent. I believe that tax services will be

J.F. Bryan III (2nd r.), chairman and president of The Independent Life and Accident Insurance Company, discusses unusual features of large indoor tropical garden with John Sittig (l.), Independent Life vice president and chief accounting officer; H&S manager Ronnie Minor (2nd l.); and staff accountant Nadine Carswell. The garden, located in lobby of the Florida Everglades.

Insert photo top: J.A. Stanley, Jr. (2nd r.), vice president and comptroller of Seaboard Coast Line Industries, Inc., and Ed Covil (r.), SCL assistant vice president and assistant comptroller, inspect computer facilities of Cybernetics & Systems, Inc., an SCL subsidiary, with (from left) H&S manager Mike Davis, senior Chuck Wodehouse and staff accountant Andy Williams.

Insert photo bottom: H&S client Florida Publishing Company publishes *The Florida Times-Union*, a morning newspaper, and two afternoon editions of *The Jacksonville Journal*. Framed by the presses as they check the early edition of the *Journal* are (r. to l.) Bernard D. Carter, controller for Florida Publishing; H&S manager Terry Rickey; Michael Lukaszewski, internal auditor for Florida Publishing; and H&S staff accountant Dave Reeves.

Tax manager Ray Hilliard (2nd r.) holds an impromptu conference with other members of the Jacksonville tax staff, including Bonnie Hunter, Bob Ennis (2nd l.) and Michael Howe (r.). The office's tax practice has increased about 60 percent over the past four years.

Insert photo top: In Crystal Room of Furchgott's, saleswoman Louise Doty prepares to model fur jacket for Fred Meyerheim (seated r.), vice chairman of the department store chain; Leonard L. Schwabe (standing), vice president and controller, and H&S staff accountant Larry Sellers. Mr. Meyerheim, who has been with the store for sixty-six years, is a descendent of the founders of Furchgott's, who opened their first outlet in Jacksonville in 1868.

Insert photo bottom: Sampling the wares at the cosmetics counter of Furchgott's department store in Jacksonville during their lunch hour are (l. to r.) Diane Carlson, Roland Voigt's secretary; secretary Sheila Schmitt, office receptionist Sharon Williamson, report typist Barbara Tarlton, and Jackie Lyons, Jack Brooks' secretary.



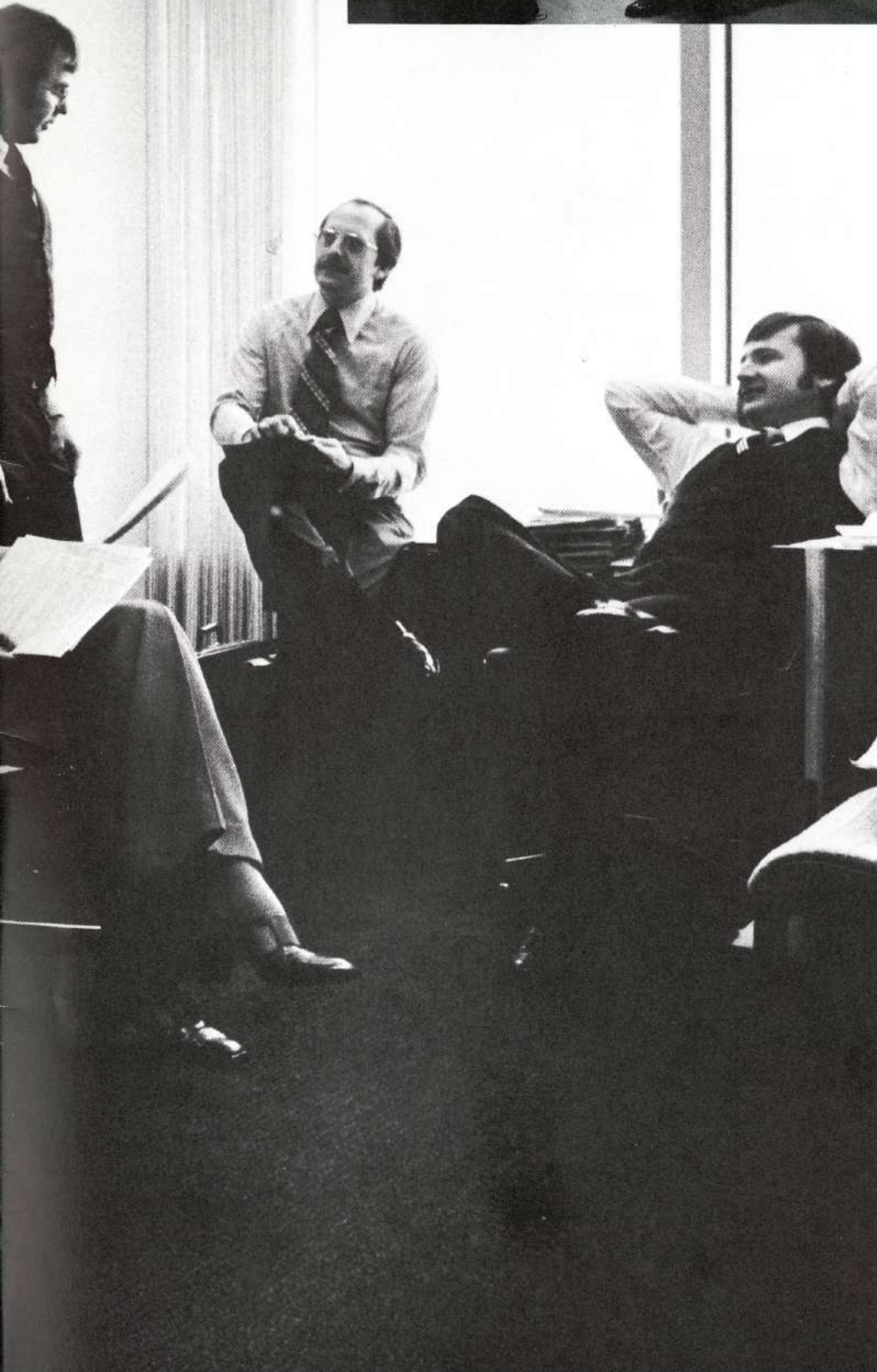


a major area of expansion for us, and we have begun a program to increase tax services to existing clients while at the same time seeking out new clients. The tax practice has, in fact, increased about 60 percent over the past four years." The Jacksonville tax department, under Jack's overall supervision, consists of tax manager Ray Hilliard and staff accountants Bob Ennis, Michael Howe and Bonnie Hunter.

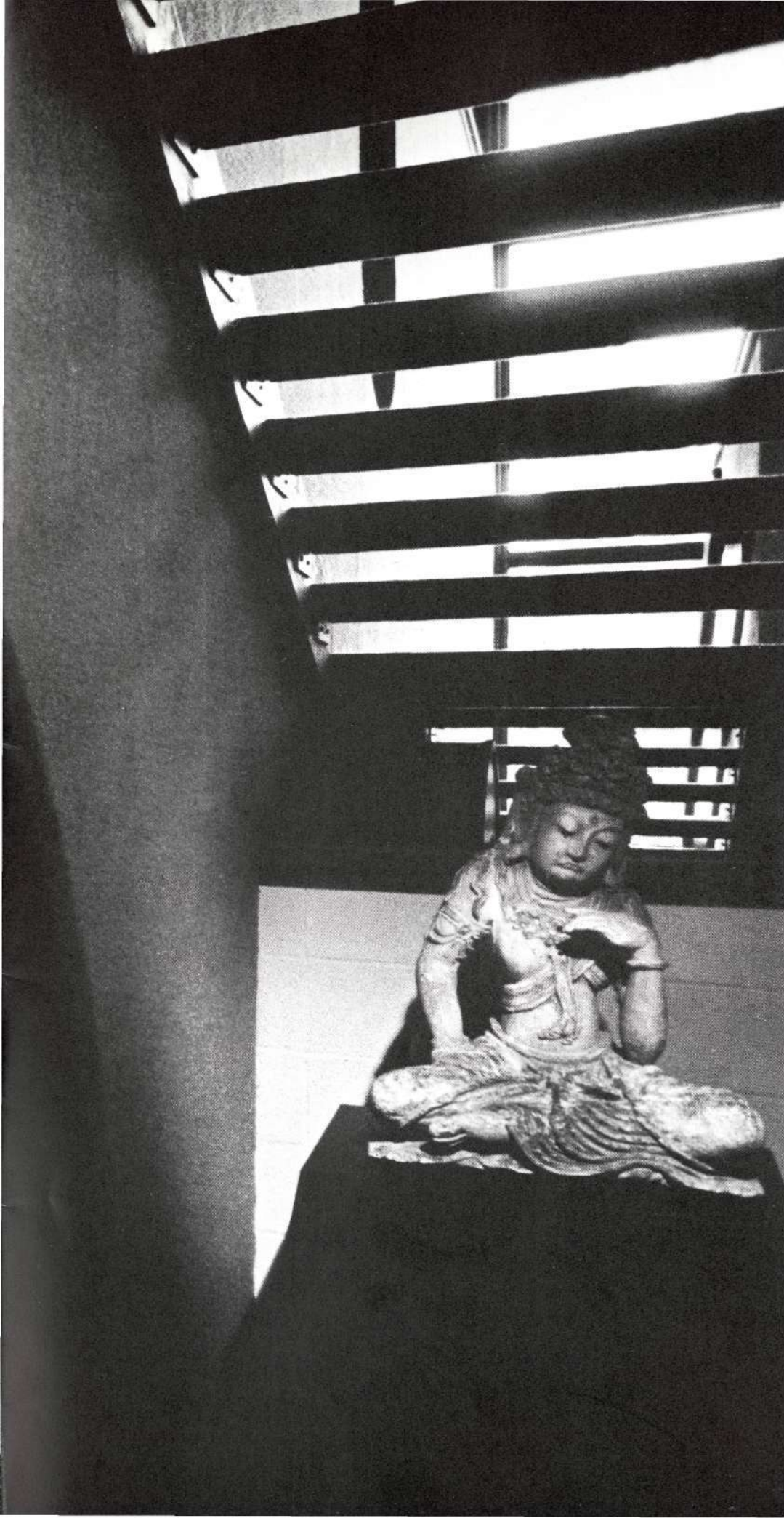
Both Jack and Roland are convinced that, in addition to taxes, small business services have potential for practice development in Jacksonville. The SBS practice is headed by Roland, who is assisted by manager Ronald Minor and staff accountant Ritch Mabry. It is showing signs of solid growth despite Roland's statement that "we're really in the early stages of a rebuilding project for small business." Emphasis is being placed on businesses with prospects for continuing future growth.

According to Roland, the push behind expanding both the tax and the SBS practices is part of a broader practice-furtherance program.

"Since we have a good number of calendar-year companies as clients, we really have to allocate a substantial amount of manpower to these audits during the latter part of one year and into the first two or three months of the next year. This tends to complicate, or at least impose certain restrictions on, our practice-development activities during a two- to four-month period each year. We've mapped out a program that we are implementing now," Roland said, "with initial emphasis being directed toward providing continuing services—and individualized attention—to existing clients on a year-round basis. We're also directing our attention to getting more of our people involved with local civic, social, professional and cultural organizations. Finally, we want to strengthen our relations with other professional groups, such as bankers and attorneys. We have some strong ties with these people now, but Jack and I agree they can be improved."







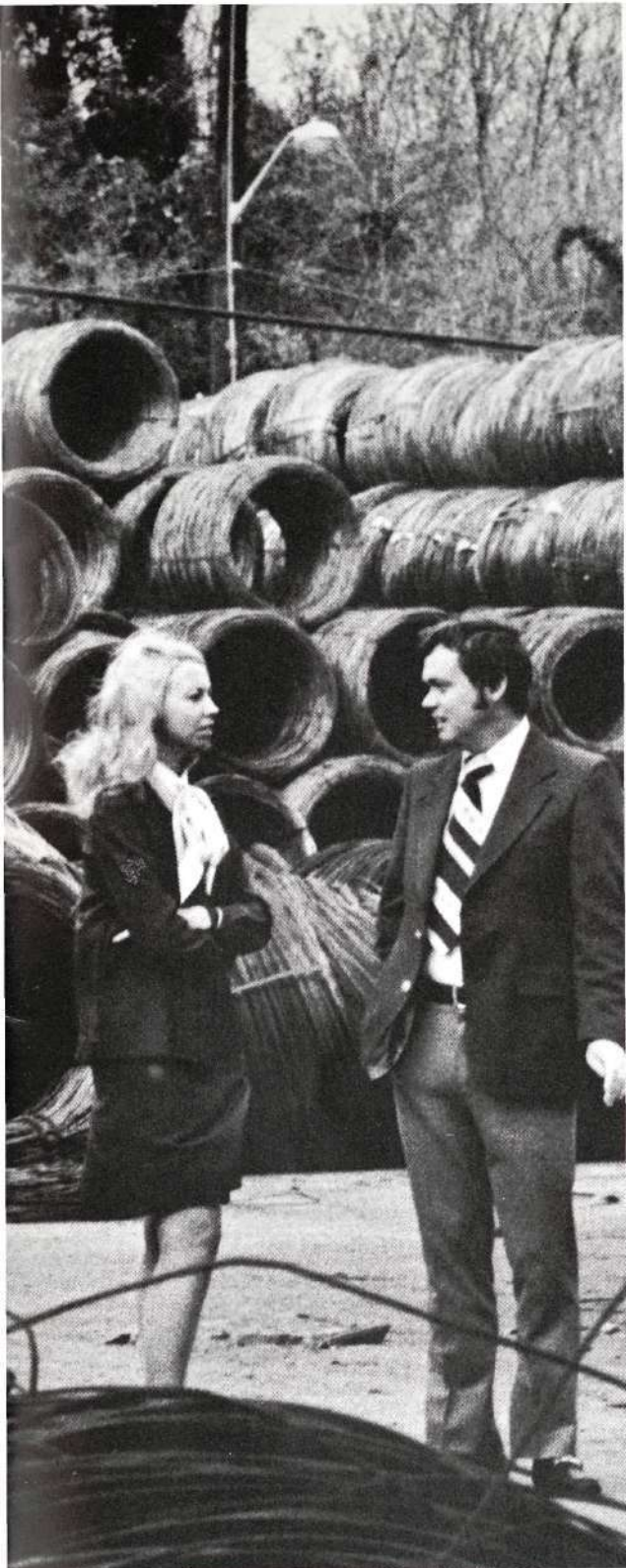
If financially oriented operations tend to dominate the Jacksonville practice, a partial list of its clients illustrates the broad variety of businesses and industries it actually serves:

- Atlantic Bancorporation, a multi-bank holding company.
- The Independent Life and Accident Insurance Company, a life insurance company.
- Seaboard Coast Line Industries, Inc., a railroad holding company, owner of Seaboard Coast Line Railroad, Louisville & Nashville Railroad and a number of smaller railroads as well as Florida Publishing Company.
- Gulf Life Insurance Company, a life insurance company owned by Gulf Life Holding Company, a Dallas client.
- Koger Properties, Inc., builder and operator of office-building centers.
- Jacksonville Electric Authority, municipally owned electric utility.
- ServAmerica, Inc., owner and operator of Stand 'N Snack Sandwich Shops and Horne's restaurant-tourist centers.
- Furchgott's, Inc., flagship operation of a department-store chain.
- Container Wire Products Co., producer of various forms of drawn steel wire.
- Florida Publishing Company, publisher of two daily newspapers.
- Jacksonville Art Museum, Inc., a museum that includes an entire wing sponsored by Ira Koger, head of Koger Properties, to house an outstanding collection of his oriental antiques.
- Motor Homes of America, Inc., retailer of mobile homes.
- Lil' Champ Food Stores, Inc., a chain of convenience food stores.
- Southern Belle Frozen Foods, Inc., processor of frozen-seafood lines.
- Marineland, Inc., an oceanarium/tourist center.

The quality of people in the Jacksonville office is of great importance to both Jack Brooks and Roland Voigt. "In an office this size you need people who are willing to put out a bit more when the crunch is on—and who can do it efficiently and

Ira M. Koger (2nd r.), chairman of Koger Properties, Inc., and H&S partner Roland Voigt (r.) chat about oriental art during visit to Jacksonville Art Museum with Wallace Kienast (l.), president of Koger Properties, H&S manager Terry Rickey (2nd l.), and Koger vice chairman Seabury Stoneburner. The group is shown in a wing of the museum sponsored by Mr. Koger to house part of his extensive collection of antique oriental art.





accurately. Top performance at all levels is paramount. I think we're very fortunate here in Jacksonville. We've got a top-notch professional staff supported by an outstanding office group. I doubt if you can find a better team operation anywhere."

Jack credits the high level of performance of the office at least in part to selective recruiting. "We have people here from all over the country; many of the professionals are from out of state. This is important to me," he said, "since I believe too much inbreeding, if I can call it that, often works to the detriment of an organization. Our people who have transferred to Jacksonville have brought with them new insights, new ideas that we've been able to use. We do recruit locally, right here in Jacksonville as well as in several of the state colleges and universities, but we often get referrals from schools in different parts of the country. Our prime concern is simply getting the best people we can to work with H&S in Jacksonville."

Recruiting the right people is not the end of the process, of course. Training must be continued if a professional is to achieve his or her full potential. "We usually concentrate our training programs in the period starting late in April and running through June," Jack said. "For our purposes we find it frequently works best if we split those involved into smaller groups. But we do aim for at least fifteen days of training per person annually."

For the last several years the Jacksonville office has held two-and-a-half-day seminars, generally devoted to technical subjects, jointly with the Orlando and Tampa offices. "We've held them in motels in the past, but in 1976 we used Marineland, an oceanarium client with excellent classroom facilities located on the Atlantic shore about fifty-five miles south of Jacksonville," Jack noted. Speakers at the seminars have included Miami PIC Larry Walsh, Washington partner Gary Mallery and EO partners Bill Quinlan and Bernie Berkman.

"The training our people get at these

sessions is important," Jack pointed out, "but one of the things I really like about the joint seminars is the opportunity it gives the professionals from the three offices to get to know each other."

Nor are the social amenities overlooked. The coming of spring is celebrated annually with an all-day outing at a local country club with activities ranging from tennis and golf during the day to a cocktail party and dinner to cap the occasion. In the fall the office sponsors a picnic at a nearby lake and park.

But if Jacksonville is a good place to work, what about the quality of life? The business community is deeply committed to furthering the economic vitality of Jacksonville. All of the city's various municipal authorities, such as electric and water, are manned by local businessmen who serve without pay. About twenty years ago Prudential Insurance Company built a new building on the south side of the waterfront to initiate a general upgrading of that area. Since then such other large companies as Seaboard Coast Line Industries, Atlantic Bancorporation, Gulf Life and Independent Life, as well as the municipal government, have constructed new headquarters with some of the most striking architecture and interior decoration seen on the east coast. Additionally, a facility to be used to manufacture floating nuclear generating plants is under construction on Blount Island in the St. Johns River north of Jacksonville.

The real-estate industry, important to the economy of Florida, now appears on the upswing after being hit hard by the recession. "I expect a more controlled growth pattern than in the past," Jack said, "and I don't think we'll see the kind of mistakes made in the past."

In October 1968 Jacksonville and Duval County were incorporated into one government, which has resulted in many improvements in municipal services as well as government economies. "We not only have a relatively low tax level here," Jack said, "but the consolidation has also helped us make great strides in improving services such as the school system." An-

Inspecting raw stock inventory at facilities of Container Wire Products Co. are (l. to r.) H&S senior Cuy Broome, Container Wire president Kenneth Glover, Lowell McClanahan, Container Wire controller; H&S staff accountant Joanne Schenone, and Tom Ingram, vice president and treasurer of Container Wire Products Company.

Insert photo left: The increased efficiencies for the insurance industry through the use of electronic data processing was one of the topics discussed by (r. to l.) Matthew J. Hobbs, president of Gulf Life Insurance Company; Truett Ewton (standing), Gulf Life senior vice president for administration; H&S senior Joanne Schenone; staff accountant Ritch Mabry; Howard Arner, president of Financial Computer Services, Inc., and Ray McCullough, vice president and controller of Gulf Life.

Insert photo right: At the Southside Generating Station of the Jacksonville Electric Authority, switchboard operator Bill Schroeder (seated) reviews control room operations with Martin W. Mason, Jr., chief of the financial controls division for the Authority, and H&S staff accountant Karen Ritter. Approximately one quarter of the Authority's total electric output is produced here.



John Forrester (r.), treasurer and controller of Motor Homes of America, Inc., and H&S senior David Cook study spacious "cockpit" of 35-ft. motor home, The Executive, produced by Executive Industries. Models such as The Executive, sold by the Jacksonville-based retailer of motor homes and recreational vehicles, can cost upwards of \$50,000.

Insert photo top: Exploring matters of finance and economics in lead branch of Atlantic Bank, located in lobby of Atlantic Bank Building, home for the H&S Jacksonville office, are (r. to l.) B.J. Walker, president and chief operating officer of Atlantic Bancorporation; Jacksonville PIC Jack Brooks, H&S senior Felix Mitchell, Tom Hodson, Atlantic vice president, controller and treasurer, H&S manager Lamar McMath; and John Traylor, Atlantic Bancorporation senior vice president for finance and corporate services. Atlantic, the largest bank in Jacksonville, has 31 branches in Florida.

Insert photo bottom: Julian Jackson (c.), president and chairman of Lil' Champ Food Stores, Inc., Ben Bromberg (2nd r.), treasurer of the convenience store chain, and H&S senior Cuy Broome (2nd l.) lend assistance to sales clerk and soft-drink delivery man in outlet located immediately adjacent to the chain's headquarters in Jacksonville. The Lil' Champ chain operates 106 stores in the state of Florida.





other stabilizing factor of the local economy is the excellent relations enjoyed with three large naval installations in the Jacksonville area.

On the cultural side, the city has the Cummer Gallery of Art, the Jacksonville Art Museum, the Children's Museum and Planetarium, the Jacksonville Symphony and the Jacksonville Zoo, as well as a number of theater groups. Schools include Jacksonville University, a privately supported institution, Florida Junior College, and the University of North Florida, part of the state university system.

The city's Gator Bowl has long been the site of the annual football classic, and The Greater Jacksonville Open golf tournament has been a spring event for the last ten years. Sawgrass, a large condominium-townhouse-resort complex close to Jacksonville, recently was named as the site of the annual Tournament Players Division Championship.

The combination of fine weather most of the year and the proximity of public beaches for swimming and fishing, many natural lakes and much open country makes Jacksonville an ideal environment for those who enjoy outdoor activities. Softball has become one of the most popular recreational activities in the area, and the growing enthusiasm for tennis has outstripped the availability of court space despite a continuing expansion program sponsored by the city.

Looking to the future, Jack is optimistic. "Jacksonville right now is a major distribution point, especially for importers of foreign automobiles and coffee. As the harbor facilities are upgraded—and we already have one of the finest deepwater ports on the east coast—the city's role in shipping and importing is sure to grow. The area is relatively stable, not as subject to the downward economic pressures experienced in many other sections of the country. Last year marked the Firm's fiftieth anniversary in Jacksonville. I think we can look forward to at least another fifty years of service to a growing clientele in north Florida." ○