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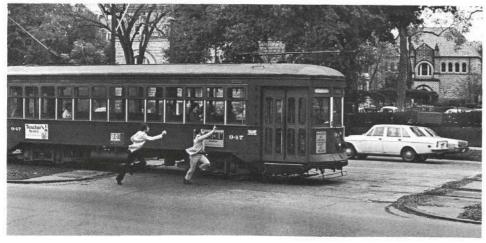
New Orleans



...busy city on The River

Smile. Partner in charge Norman R. Kerth and office secretary Mary Vogts find a smile in this file.





Streetcar named St. Charles. Staff accountants Jim Dean (l.) and Frank Janusa scramble for a ride downtown on one of the country's last remaining streetcar lines.

Office bound. On board the ferry and heading for the ITM Building (l. rear) this group of H&S commuters includes (from l.) Jane Wade, Ed Griffin, Shelby Miller, John Faulk, Tom Polley, Charmaine Hillman, Tom Tucei and Dotty Guidry.

The River rules New Orleans and its presence is constant. Cradled in a huge bend of the Mississippi which gives her the sobriquet "Crescent City," New Orleans is almost surrounded by the great river on three sides and vast Lake Pontchartrain to the north.

During most of the year the water level of the river is five feet above the streets of the city which lies spread out like a saucer inside 122 miles of sharply raised levees, 25 feet high on the river side and ten feet high on the lake side. Since there is no natural drainage, twenty-one pumping stations are needed to pump out the rainfall from an area of about 57,000 acres. Some people say that the city grew where no city was ever meant to be.

But grow it did. And the city has survived fires and hurricanes and battles and yellow fever epidemics for the more than 250 years now since the French Canadian Jean Baptiste le Moyne, Sieur de Bienville, cleared land to build a town 110 miles upriver from the Gulf of Mexico, near an Indian portage between the river and the lake.

Perhaps even more amazing is the survival of the millions of New Orleanians and their guests who have paid homage to Comus, the god of revelry, and Rex, king of carnival, for 136 years of Mardi Gras. The masquerade balls begin each year on Twelfth Night and continue, along with some forty colorful parades, until the day of Mardi Gras, literally "fat Tuesday" before Ash

Wednesday, when the carnival goers awake, as humorist Ring Lardner put it, "feeling like Rex in a state of Comus."

For many, just the name New Orleans and the names of the streets made famous by the jazz that was born there—Basin Street, South Rampart Street, Bourbon Street—can evoke romantic visions. But while the lacy grillwork and balconies and intimate courtyards of the French Quarter survive, there is far more to the city than her history.

New Orleans is also a bustling commercial center, a city of well over a million people, where more than 4,500 vessels call annually at the port, making it second only to New York City in the dollar value of its commerce. Together with the surrounding parishes of Jefferson, St. Bernard and Plaquemines. New Orleans has become the cultural, business, banking and medical center of the Deep South. Extensive construction projects, such as Bonnet Carré Spillway 33 miles above the city, which may be opened to divert floodwaters into Lake Pontchartrain, and the Mississippi River-Gulf Outlet which cuts 35 miles off the ship route to the gulf, have added greatly to the security and potential of the city.

The site of the original settlement, the Vieux Carré, also known as the French Quarter, was laid out with narrow streets that are straight, and at right angles. Outside this 100-block section of Old World charm, however, most of the streets of the city conform to the curve of the river, making the points of the compass practically useless in giving directions, and the river is still the dominant, though sometimes confusing, force.

From the office of Norman R. Kerth, partner in charge of the H&S office in New Orleans, you can look east across the Mississippi, which flows north at this point, to watch the ferry depart from across the river, bringing H&S people to work.

The ferry, which is free, docks at the foot of Canal Street, the world's widest main street, and practically at the front door of the International Trade Mart, home of the H&S office since 1968. The Firm's first office was opened in New Orleans in 1919, in the famous Maison Blanche Building on Canal Street and moved into



one of the city's first skyscrapers, the Hibernia Bank Building, in 1921.

Because of the shape of the wings of the ITM Building, none of the H&S offices there is square. Like most of the streets in the city, the hallway seems to meander among the offices—again the influence of the river below. Tall windows, slatted outside by aluminum louvres to temper the rays of the summer sun, provide a spectacular view of the city and surrounding suburbs, and an ever present array of ships and barges moving on the river.

Norman Kerth was born in New Orleans in 1919, the same year H&S opened its office there. His first home was a small frame house of the type then popularly known as a "shotgun house," because the rooms of the house were situated one behind the other and, for the sake of ventilation, the doors opened in a row, making it possible, theoretically, to fire a shotgun blast straight through the house. His father was an accountant.

Prior to World War II, Norman studied at both Tulane and Loyola Universities. After four years in the Army, in which he rose to the rank of captain, he returned to Loyola, studying law at night while selling real estate in the daytime. He joined H&S in the New Orleans office in 1948 and earned his law degree the following year. He became a CPA in 1952 and a partner in H&S in 1960.

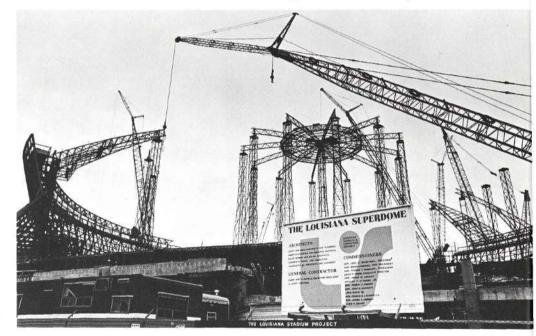
Over the years, Norman has found tax problems to be a special challenge, and has maintained an exceptionally busy schedule of speaking engagements before business and professional groups in Louisiana and Mississippi, usually discussing tax matters of topical interest. The many plaques that adorn a wall of his office attest to his extensive activities and contributions to professional organizations.

He has been a member of Council of the AICPA, where he served on the committee on federal taxation for six years. He is also president and a member of the executive board of the Southern States Conference of CPAs. He is a past president of the Society of Louisiana CPAs, was general chairman of the first three Louisiana Tax Conferences, and continues to serve on the group's executive board. His memberships include the program committee of the Tulane Tax Institute and the deferred

gifts committee of Tulane University's Development Program. His most recent recognition in tax circles was being named chairman of the task force appointed by Governor Edwin W. Edwards to simplify the state income tax form.

Norman Kerth is also well known in the business community, serving as a director and member of the executive committee of the Economic Development Council of the Chamber of Commerce of the New Orleans Area. His public affairs memberships include the civic affairs committee of the Chamber of Commerce, the advisory committee of the executive board of the New Orleans Area Council

World's largest. Framework of the Louisiana Superdome grows like a giant spiderweb across the sky.







Management conference. Partner in charge Norman Kerth (c.) goes over some figures with Joy Traylor, office manager. Listening (clockwise from lower left) are principals Shelby Miller, Tom Polley and John Faulk, partner Leonard Brooke, and principals Larry Rabun and Ed Griffin.

Three more to go. Destroyer escort 1094 is ready for launching and Avondale Shipyards' financial vice president Joe Oberfell points toward construction on the final three vessels of a twenty-seven ship contract. H&S people (l. to r.) are principal Tom Polley and seniors Joey Richard and Don Ramsey. On the extreme right is H&S alumnus Gerald Livingston, controller at the shipyard.

of the Boy Scouts of America and the Sara Mayo Hospital development council.

Although he is a member of the Metairie Country Club, Norman does not consider himself a good golfer. "When we had a two-day 'staff retreat' last year at Diamondhead Country Club, on the Mississippi Gulf Coast, I got the booby prize in the golf tournament," he says. "It was a Donald Duck hat that could be used as a sand bucket."

When it comes to the revelry of the Mardi Gras season, however, Norman, a member of several carnival krewes, is in his natural element. "For Mardi Gras Day we rent space and a couple of vans that we park along the route of the parades to serve as a kind of home base for our people in the office."

That is the day that the longest and largest of the parades is held, with marching bands and elaborate floats and maskers tossing beads and prized Mardi Gras "doubloons" to the crowds.

Norman Kerth does admit that the flurry of private masked balls, sometimes two or three on the same night, can get a bit hectic for him and his wife, Dottie. The most recent Mardi Gras added more than the usual excitement to the season with the presentation of his daughter, Connie, as a maid in the prestigious masked ball of the Krewe of Olympians, topping off a busy winter that included her engagement at Christmas time. Connie is a junior at Loyola University, while his son, Chip (Norman, Jr.) is a freshman at the University of Mississippi. His other daughter, Suzanne, who was presented as a maid in Olympians several seasons ago,

graduated this winter from Louisiana State University in New Orleans.

The second partner in our New Orleans office, Leonard M. Brooke, is a native of Missouri. He received a BA degree from Northwest Missouri State College, served two years in the Marine Corps, then returned to complete his studies at the University of Colorado. He received an MS degree there in 1957 and joined H&S in the New York office shortly thereafter. He transferred to Jacksonville in 1959 and then to New Orleans where he has been since 1963. Len became a partner in the Firm in 1969. He is the assignment director and also coordinates the office's audit practice. Len and his wife, Mauna, live in suburban Metairie with a daughter, Mary Lee, and sons Mark and Palmer. Fond of the outdoor life, the Brooke family spends as much time as possible at a hideaway camp in the woods of Alabama. But with the boys growing up, Len and his sons, 10 and 12, have been scouting out a more accessible tract of woodland which retains the appeal of privacy in the heart of the De Soto National Forest and adjacent to a large holding of our client, St. Regis Paper Co.

Retired former partners in charge George E. Conroy and Gayle L. Dalferes still live in New Orleans, and continue to be very active in educational, business and social circles in the community.

Five principals round out the management group in the office. Larry Rabun, from upstate Baton Rouge, and a frequent instructor at the Firm's Initial Course for Tax Specialists at the University of Illinois, is head of the tax department, which accounts for about twenty-five per cent of the total services rendered. John Faulk, a Georgian who transferred to New Orleans less than a year ago after a stint with the PE&D department in the Executive Office, is in charge of recruiting. The others are Shelby Miller from Mississippi, Ed Griffin, a Floridian who transferred from Barcelona almost two years ago. and Tom Polley, an Ohioan who transferred from São Paulo less than a year ago.

Also included on the professional staff are seven seniors and twenty-two other staff accountants. The office staff is headed by Mary Vogts, office secretary and secretary to Mr. Kerth. Others are Jane Wade, who is Len Brooke's secretary



Phase II laughter. A comment by principal Bill Wilson, visiting from our Washington office to participate in a seminar on the intricacies of the economic stabilization program, draws a laugh from his audience of corporate and financial officers.

Also participating in the program are Martin Crowson, Larry Rabun and Gerald Hanlon, Jr., seated from left to right at the speakers table.

Giant shrimp. Senior Mike Bemis (c.) listens to plant manager Harold Lapeyre describe the shrimp peeler invented and perfected by his family. Jimmie Howell (r.) a former H&S principal, is assistant to the president of The Laitram Corporation, owned by the Lapeyres, which manufactures the shrimp peelers and leases them throughout the world.





and assistant on staff assignments; report typists Doris Guidry and Eveline Gasper; Sandra Paul, assistant to John Faulk in college recruiting matters and bookkeeper on small business engagements; Rosalind Sternberg, tax department secretary; Charmaine Hillman, receptionist; Coleen Bonnette, file clerk; and Marianne Antoine, office accountant.

"We have a very young staff," says
Norman Kerth, "but probably the
strongest staff we have ever had
professionally. We try to be informal and
low key in our recruiting efforts and we
have been very successful. For a while
about half of our professional staff came
from schools in Mississippi. Now we are
hiring more from the New Orleans
campus of LSU, Tulane, Loyola and other
Louisiana universities. One of the things
we stress is the diversity of our practice
and the broad range of assignments in
which our accountants will be engaged."

Over seventy-five per cent of the work the New Orleans office does originates there, with clients throughout all of Louisiana and the southern part of Mississippi. The diversity of the practice mirrors the wide range of business and industrial activity in the area.

Shrimp from the Gulf of Mexico is known and savored throughout the United States, and a client in New Orleans, The Laitram Corporation, is playing a major role in the development of equipment for more efficient shrimp processing. A device for peeling and deveining shrimp quickly and efficiently was invented and perfected by the Lapeyre family, owner of the corporation, which now



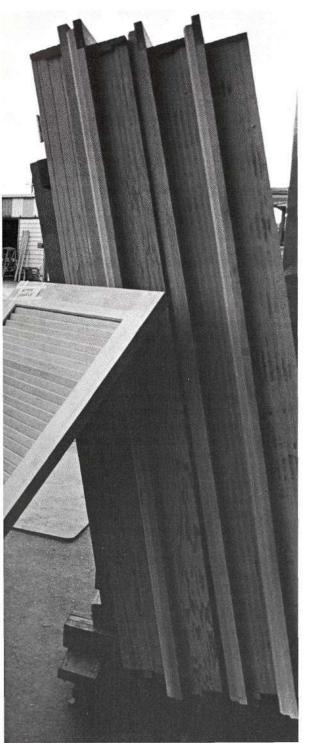
Campus conference. Chatting on the bikeways of Tulane University, staff accountant Al Autin (l.c.) stresses a point with J. B. Morgan (r.c.), business manager and controller for the university, and Dave Harvey, assistant professor of accounting, while staff accountant John Farrell (l.) admires the architecture. Tulane has been a New Orleans client for over forty years.

Superclinic. Examining a new
12 million-volt linear accelerator
recently installed at the famed Ochsner
Clinic to aid in tumor treatment,
radiologic technologist Carolyn
Kihnemann and Dr. Seymour Ochsner
explain operating procedures for
principal Ed Griffin (c.) and staff
accountants Bob Stiles and Jack Kase (r.).
Looking on (l.) is Ed Saux,
administrative director of the clinic.





Doors on dollies. Treasurer M. J. Robichaux, Jr. (l.) of the Bernard Lumber Company demonstrates the swing of a pre-hung door unit for principal Larry Rabun (c.) and senior Martin Crowson.



manufactures and leases the equipment to processing plants in the Gulf states and throughout the world.

The innovative efforts of The Laitram Corporation are not limited to shrimp, however. The corporation carries on an extensive research program under which such diverse products as a non-corrosive plastic conveyor belt for use in the food industry and a digital electronic compass known as Digicourse* have been developed, while other inventions are in the pre-patent stage. A former principal of the New Orleans office, Jimmie S. Howell, has been assistant to the president of The Laitram Corporation since last spring.

Another alumnus of the New Orleans office, Gerald Livingston, is now controller of Avondale Shipyards, Inc., a subsidiary of Ogden Corporation, a New York office client. The biggest industrial employer in Louisiana with about 8,000 workers, Avondale is also one of the largest shipbuilding contractors in the country. The shipyard is just completing a Navy contract for twenty-seven destroyer escorts and is working on two towering offshore drilling platforms for the petroleum industry. The shipyard is also working on a contract for eleven LASH (Lighter Aboard Ship) vessels, the latest innovation in containerized cargo shipping. Termed the ultimate in sophisticated ocean transportation, these 860-foot-long vessels carry about 27,000 tons of cargo stored in 73 barges, a concept born in Louisiana.

The Ochsner Clinic, one of the most famous clinics in the world, has been a client of our New Orleans office since Henry Jumonville, the first partner in charge in New Orleans, helped five doctors form the Alton Ochsner Medical Foundation. From it has emerged the present medical complex which includes the Ochsner Foundation Hospital, the Ochsner Clinic and Brent House, the hotel for clinic and hospital patients and their families. The Ochsner group treats more than 100,000 patients a year.

Another client deeply rooted in the field of medicine is Tulane University, founded in 1884. The university is recognized for its outstanding programs in medicine and law.

Perhaps more familiar to H&S people throughout the country is Tulane Stadium,

the world's largest sports arena built of steel, and popularly known as the Sugar Bowl, where the annual Sugar Bowl Football Classic matches outstanding college teams in post-season play.

The New Orleans Mid-Winter Sports Association, sponsor of the Sugar Bowl, has been a client of H&S ever since a small group of professional and business men, including Henry Jumonville, personally furnished the funds to finance the first Sugar Bowl game, played on New Year's Day in 1935. The demand for tickets for the event soon induced the Association to enlarge Tulane Stadium to its present capacity of 85,000, and it is presently looking forward to completion of the magnificent Louisiana Superdome which will house the Annual Festival. (The Superdome will also be the home of the New Orleans Saints and Tulane football games, as well as baseball, basketball, trade shows and exhibitions.)

Along beautiful, tree-lined St. Charles Avenue, which skirts the front of the Tulane campus, runs one of the last remaining street car lines in the country, operated by our client New Orleans Public Service Inc., whose primary job is providing the gas and electricity for the city. There on ancient green cars like the famous streetcar named Desire (now a tourist attraction in the French Market) New Orleanians and tourists ride through the Garden District with its large, picturesque old homes all the way downtown to Canal Street for only 15 cents.

In spite of the speed and comfort provided by NOPSI's modern bus system, it seems that many New Orleanians still prefer the nostalgic clang and rattle of the streetcar through a seemingly unchanging part of the city's colorful past.

Another in the long list of our interesting clients that are tied in with the traditions and history of the Crescent City is the Fair Grounds Corporation, which owns and operates the Fair Grounds Race Track, the third oldest race track in the country, dating back over a hundred years. It has a stretch run of 1,346 feet, the longest of any horse track in America.

A client whose reason for being is solely the future is International Rivercenter, a partnership planning a \$600,000,000 development in the riverfront area adjacent to the International Trade Mart Building. The plans include a hotel,



shopping center and amusement facilities, and modern condominiums. The development of the area will complement new construction, including the newly finished Shell Building, tallest in the South, and other buildings now underway on Poydras Street, a wide main artery to the west of Canal Street and also ending near the International Trade Mart.

One of our most prominent clients in the downtown area is D. H. Holmes Company, Limited, which operates a large department store on Canal Street, as well as a number of branch stores in the New Orleans area and in other cities. The company was first incorporated in 1842 and has served the area continuously since then.

One of the major clients upriver in Baton Rouge, the state capital, is United Companies Financial Corporation,

Vieux Carré. Meme Kerth, mother of the partner in charge, points out to Dottie Kerth details of one of the many paintings she has done of French Quarter streets and courtyards.

Loads of lettering. Marianne Antoine, who majored in fine arts at LSUNO and is now in charge of the office's internal accounting, letters names on about 700 state membership and CPA certificates a year in her spare time. Husband Chip, who joined H&S in December, inspects the finished product with daughter Collette.



engaged in life insurance, mortgage loan operations, and a variety of other complementary endeavors.

Because of the number of services H&S renders for this and other important clients upstate, senior accountant Fred O'Neal has moved north to become "our man in Baton Rouge."

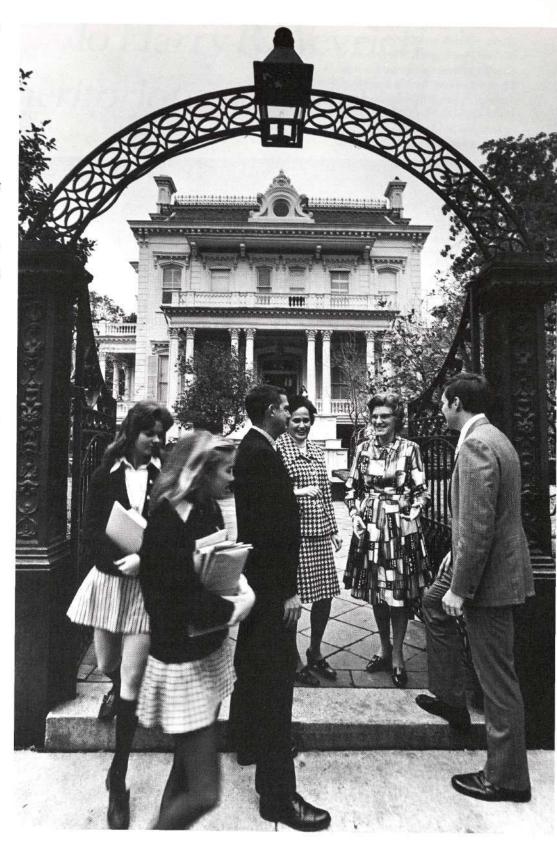
The H&S office client list also includes participating engagements for such other well known clients as Dow Chemical; Uniroyal; Procter & Gamble Co.; Merrill Lynch, Pierce, Fenner & Smith; Monsanto Chemical Co.; PPG Industries; St. Regis Paper Co.; Middle South Utilities; Kaiser Aluminum and Chemical Co.; Norton Simon, Inc.; The Signal Companies Inc., and many others.

To a visitor, it would appear that driving to engagements within the sprawling city could be more of a problem. "Forget about directions," says principal Shelby Miller. "The key to finding your way around in New Orleans is a continuing awareness of where the river is and where the lake is. Directions are given as either toward the river or away from the river... toward the lake or away from the lake. As to where they are; it's something you just get to know."

Getting to know New Orleans can be a study in contrasts. On the one hand there is the historic past, such as the Ursuline Convent where Dottie Kerth conducts guided tours each Thursday, believed to be the oldest building in the Mississippi Valley...or the historic Pontalba Apartments, said to be the first in the country. And only a few blocks away there is the modern present, such as the sweeping exterior columns of The Rivergate, the immense new exhibition center whose main hall towers over 130,000 square feet of unobstructed floor space.

New Orleans can be the soaring gaiety of Mardi Gras, or a quiet sail on vast Lake Pontchartrain, or the solitude of a bicycle ride among moss-draped live oaks in Audubon Park or a horseback ride in the sprawling, 1,500 acre City Park to the north along Bayou St. John.

It is a city holding tenaciously to the past, while building toward an exciting future...a dynamic, bustling, yet lighthearted good-time city, thriving in partnership with her river.



Garden District. Once the home of a prominent sugar planter, this typical Garden District residence now houses the Louise S. McGehee School, a client. Principal John Faulk (l.) and staff accountant Lloyd Tate chat with Miss Fernandez, headmistress (c.) and Mrs. Hobble, business manager.

Fine dining. Partner in charge
Norman Kerth samples the wine at
Maison Pierre, one of the French
Quarter's finest restaurants, while
partner Leonard Brooke and his wife
Mauna (c.) smile with approval.
Dottie Kerth (l.) holds the attention
of Houston MAS visitors, consultant
Jerry Lacy and manager Jim Cisarik.

