



ROTENBERG & CO. LLP
Certified Public Accountants

EFP Rotenberg Backgrounder

When two of Rochester's most respected accounting firms, **EFP Group / Eldredge, Fox & Porretti, LLP** and **Rotenberg & Co. LLP**, finalize their merger after the accounting industry's busiest season, the resulting entity – to be called **EFP Rotenberg** – will become Rochester's second largest locally owned accounting firm. It will also have the largest publicly traded company practice of any firm in western New York, with more than 70 client companies registered with the Securities and Exchange Commission (SEC).

Why merge?

This merger of equals results from both firms' desire to grow, and the realization that significantly more opportunities will be available for them at a larger size. EFP Rotenberg expects that growth will be fueled by its size, or "bench strength" which will now match the strength of its expertise in a number of specialty offerings.

The choice of a growth partner was made easier by their mutual discovery that the services each company provides independently are more complementary than competitive. Rarely have the two competed for the same piece of business in Rochester or elsewhere.

While both firms offer traditional accounting, auditing, and tax planning services in a similar, client-centered manner, each distinguishes itself with a portfolio of specialty services that appeal to particular market segments. That entire array of services will now be available to EFP Rotenberg clients.

In addition to developing a reputation for solid, personal accounting services, EFP Group has also established itself as a premier provider of business valuation, contract auditing, fraud and forensic investigations, estate and tax planning and administration, corporate tax

outsourcing and real estate cost segregation. Through its StoneBridge Business Partners, LLC, EFP employs a team of professional Certified Fraud Examiners (CFEs) and Certified Internal Auditors (CIAs) who will now serve as additional in-house resources to EFP Rotenberg clients.

StoneBridge Business Partners also serves a national client base with internal audit services, Sarbanes-Oxley 404 Compliance, and auditing of distributor channels, franchisees, royalties and contracts, and group purchases.

Rotenberg & Co. brings to the merger vast experience with public company and healthcare auditing. The firm has earned a reputation in the nursing-home community as a quality provider of services to both existing companies and to entrepreneurs considering nursing-home investments.

The firm also brings a broad national client base to the partnership, with a significant percent of its current business coming from outside Rochester. Rotenberg & Co. maintains a global presence: Three Mandarin-speaking professionals currently advise Chinese entrepreneurs seeking U.S. capital.

Combined, the two firms will boast one of Rochester's largest tax practices, with 10 partners concentrating their work on complex and specialized tax consultation and planning.

Together, EFP Group and Rotenberg & Co. will form a financial services powerhouse with a breadth and stability that will benefit their clients, their employees, and the community at large.

A win for our community

The merger is likely to benefit the greater Rochester community in the following ways:

Increased local employment. Despite technological advances, accounting – especially the personal variety practiced by these two firms – remains a human-driven enterprise. To grow their client bases, accounting firms need qualified and dedicated CPAs and support staff to drive billable hours. Because the motivation behind this merger is business growth, even greater numbers of qualified personnel will be required. Currently, the combined companies offer 10 to 15 positions for new CPAs on an annual basis.

New local spending power. Rotenberg & Co. and EFP Group's StoneBridge Business Partners have already established a growing base of clients nationwide. EFP Rotenberg's significant service portfolio, along with an attractively affordable upstate New York fee structure, will make doing business with this Rochester company more appealing to new clients nationwide. The result will be the use of local intellectual capital to drive new revenue to our region, with resulting benefits in local spending power.

Community commitment. Both EFP Group and Rotenberg & Co. were founded here, and intend to grow here. EFP Rotenberg's presence and growth will provide significant employment and tax benefits to Monroe County. In addition, the new entity will extend the philanthropic largesse of the constituent firms, which pride themselves on a long, strong record of support for local not-for-profit organizations.

Well positioned to counsel clients through current and future challenges

With the combined forces of two historically successful accounting firms, EFP Rotenberg will be well positioned to help businesses overcome major challenges of the day:

Procuring alternative funding sources. With a tightening credit market, businesses turn to trusted advisors for development of new funding sources. Both EFP Group and Rotenberg & Co. companies currently excel at providing these services for clients, and together, they will draw from an even broader base of knowledge and expertise.

Increased reliance on financial experts as business consultants. Businesses are now more cautious than ever about cash flow and ROI. The combined forces of two solid and innovative firms will provide an even greater sense of comfort to business clients who are concerned about the wisdom of various investments and expenditures.

Tighter regulatory climate. Nursing homes in particular are under ever greater regulatory pressure and fee scrutiny. Rotenberg & Co's well-earned reputation in this field will be further bolstered by the additional strategic business and tax-consulting resources of EFP Group.

New and higher taxes. Governments are in trouble and new taxes are an antidote. Combined, EFP Group and Rotenberg & Co. will offer valuable tax strategies to help individuals and businesses alike through the complexities of current and future tax climates.

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