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2 local CPA firms agree to a merger of equals

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Two Delaware County accounting firms have agreed to a merger of equals that will provide each with more depth and breadth to compete with the **growing number of bigger rivals entering from outside the market**.

Chadds Ford-based Steger Gowie & Co. will merge with Merves Amon & Barsz of Media on July 1. The new firm, which will have 35 employees, will be known as Barsz Gowie Amon & Fultz.

The combined firm will call Chadds Ford its headquarters while maintaining the Media office as well as Steger Gowie's Malvern location and Merves Amon's Lancaster site.

Steger Gowie has 15 employees and Merves Amon has 20. All of them will make the move.

While the two firms have significant geographic overlap, their respective practices are different. Steger Gowie specializes in tax planning for small companies while supporting both individuals and other types of business clients. Merves Amon has a large audit practice that it will be able to cross sell to Steger Gowie clients.

Steger Gowie opened its doors 24 years ago and focuses largely on local small and midsize business, handling tax work for about 400 businesses and 1,400 personal returns.

Gowie said the two firms started talking about 18 months ago.

"We're looking at it as a way to compete with bigger firms," Gowie said. "There are a lot of firms coming into this area and some local businesses are not happy. That opens up some opportunities for us and we now have a larger firm with more services to offer."

Unlike Steger Gowie, Merves Amon has a dedicated audit practice group that specializes in representing closely held businesses in the mid-Atlantic region. It also serves as treasurer to political campaigns, political action committees and local municipalities. It was that work that connected the firm to Steger Gowie.

A Merves Amon partner served as treasurer to U.S. Rep. [Patrick Meehan's](#) re-election campaign. Managing Partner [Peter Barsz](#) said Gowie's sister-in-law, a Meehan aide, connected the two firms.



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Two Delaware County accounting firms will come together in a merger of equals.

Barsz said a merger of equals made sense being that senior partners at both firms — Eugene Steger of Steger Gowie and Stephen Merves of Merves Amon — are both preparing to retire.

“The purpose of this is to become a stronger competitor that can better serve our clients,” Barsz said. “It’s going to help us add more clients but I think we can also combined our efforts recruiting.”

Ira Rosenbloom, a consultant with Optimum Strategies who worked on the deal, said with so many midsize local CPA firms being acquired by larger ones from outside the market, it has created a bit of a local void. Smaller firms can compete by either being acquired themselves or joining forces with a merger of equals.

“No question. Part of what it does is fill a place in the market,” Rosenblum said. “When a 35-person firm leaves the market, it creates a hole.”

Jeff Blumenthal

Reporter

Philadelphia Business Journal

