

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 106TH CONGRESS

**IN HONOR OF WATSON RICE LLP  
ON THE OCCASION OF THE FIRM'S 30<sup>th</sup>  
ANNIVERSARY**

**HON. CAROLYN B. MALONEY  
OF NEW YORK  
IN THE HOUSE OF  
REPRESENTATIVES**

Mr. Speaker, this year marks the 30th anniversary of Watson Rice LLP, an accounting and consulting firm in the heart of my district that exemplifies the benefits of affirmative action. Today, Watson Rice is one of the nation's largest and oldest firms owned and managed by diverse partners, with 125 professionals operating in four states and the District of Columbia.

Few would have predicted that back in 1971, in downtown Cleveland, two fledgling accountants operating in one room, at a shared desk sitting face to face, with a single adding machine and one telephone line, would develop a firm that now earns annual billings approaching \$9 million.

Tom Watson and Bob Rice, however, share this American success story. Garnering their first fees from a dry cleaning establishment, a grocery store, and a funeral home, they now operate a formidable enterprise well known today as Watson Rice LLP.

The African-American founders of Watson Rice LLP found opportunity in the pro-active policies of President Carter's administration that welcomed the services of qualified firms staffed with multicultural professionals. Mr. Watson and Mr. Rice first and foremost reached out to the regional offices of established accounting firms to learn from experienced senior professionals. Mr. Rice recalls that period for the exceptionally generous mentors at Big 8 firms like Deloitte Haskins.

Watson Rice's first sizable contract, from the U.S. Department of Labor, enabled the firm to move to their own offices in downtown Cleveland and to start adding staff. Business from the U.S. Department of Commerce and from the U.S. Environmental Protection Agency followed, and then from several other Washington agencies.

In 1976, Tom Watson met Ron Thompkins, a Florida based professional partner in a firm which developed a considerable

practice specializing in health care services. This firm later was merged into Watson Rice to mutually strengthen operations in government, nonprofit and joint venture practices. The Miami branch since has doubled its number of staff professionals.

The late 1970s also were a time when Tom Watson first met Bennie Hadnott, a specialist in quality control and training for government audits. That meeting led to another merger, with Hadnott fully blending into Watson Rice - ultimately to become its Managing Partner based in New York. The firm's government practice grew rapidly, generating \$1 million in fees during the first two years of the new affiliation. Contracts with the Departments of Labor and Energy provided substantial revenue, especially from reviews of oil company pricing practices during the Mideast embargo of petroleum.

The growing New York practice generated an impressive and diverse client roster, including, the New York City Health & Hospital Services, Coca-Cola Bottling Company, the NAACP Legal Defense Fund, the NYC Department of Aging, and eight McDonald's franchises. Hadnott also served on the Mayor's Financial Committee during the Dinkins Administration of New York City.

In 1982, Watson Rice contracted with the Resolution Trust Corporation to help close Carteret Savings, one of New Jersey's largest banks. The firm opened offices in Rutherford, NJ, at first for the 60 members of its staff assigned to the program, and later to represent prestigious regional operations, such as the Newark Public Schools, the Urban League, and statewide long term care facilities. Bennie Hadnott, while still active in the firm, recently passed its leadership to a new and dynamic managing partner, Raymond P. Jones. The emphasis at the firm continues to be training and excellence, with Watson Rice at the cutting edge of establishing a paperless accounting practice, a leader in its industry. Mr. Speaker, I salute Watson Rice LLP and I ask my fellow Members of Congress to join me in recognizing this firm's 30<sup>th</sup> anniversary.

