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Contact: Raymond P. Jones (212) 447-7519

Watson Rice/MP&S LLC Joint Venture

Formed With Distinctive "Dual-Track" Diversity Goals

New York, NY, February 1, 2005 ... Underserved businesses in New York owned and operated by culturally and ethnically diverse management are soon to hear from Watson Rice/MP&S LLC – a newly formed joint venture of two accounting firms with a different approach to diversity.

The venture joins Watson Rice LLP, one of the nation's oldest and largest accounting firms under diverse ownership and management, and Marks Paneth & Shron LLP (MP&S), New York's 7th largest independent accounting, tax and consulting firm, whose 250+ professionals specialize in an entrepreneurial approach to serving clients.

"While we're not the first joint venture designed to build on each other's strengths," said Raymond P. Jones, Managing Partner for both the new venture and for Watson Rice, "we know of no other team formed along what might be considered 'dual-tracks.' Ours is a growth engine for privately - held businesses run by diverse leadership as well as an audit and accounting service for major corporations committed to diversity."

Steven C. Baum, Co-Managing Partner of MP&S, noted that the number of businesses led by culturally diverse management in New York City increased by 89% in the 1990's, and continues to expand at an accelerated pace. "While they grow in significance," he said, "their need for professional services to accelerate that growth (or even survive) grows proportionately, if not faster.

"We believe that we are well organized to provide exactly what they need: financial advice, tax counsel, business planning, strategic development and access to capital, as well as more familiar accounting and tax compliance services. We will deliver the same level of entrepreneurial attention that we currently provide for a wide range of clients."

Jones and Baum added: "We are fully aware that in helping these enterprises flourish, we can help create employment and prosperity in the region."

Since 1971, Watson Rice has specialized in serving major Federal, State and City agencies, including the U.S. Post Office, U.S. Department of Defense, The New York State Comptroller's Office, the City of New York and the Upper Manhattan Empowerment Zone, as well as Local 1199 and the Abyssinian Baptist Church and other leading nonprofit organizations. The firm has a controlling interest in the joint venture.

Marks Paneth & Shron LLP, whose origins date back to 1907, provides a full range of accounting, tax, financial and management advisory services. Among its niche practices are real estate, media and entertainment, nonprofit organizations, financial and tax planning for high net worth individuals, service businesses, international taxation and energy industries. In addition, MP&S provides litigation and forensic accounting, valuation services and information technology consulting services through its wholly owned subsidiaries.

The team includes Clarence B. Jones, Executive Consultant at MP&S and a former counsel and principal advisor to the Reverend Martin Luther King. "I see this joint venture as a place where diversity and strength live at the same address," he said.

Partners and associates from both firms will develop programs for the region's burgeoning ethnic and culturally diverse market. In addition, they will meet with publicly held companies regarding their retirement and pension plans, Sarbanes Oxley 404 work, and executive tax and financial planning among other services. "This segment is very much in our sights," said Clarence B. Jones.

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