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Newly Formed WERTZ & CO. Plans Move to Irvine Spectrum

Wertz & Co.—one of two accounting firms formed from last year’s breakup of Irvine’s Corbin & Wertz LLP—plans to move by summer to a two-story building under construction in the Irvine Spectrum. Former partners Russ Wertz and Steven Corbin split Corbin & Wertz—Orange County’s largest homegrown accounting firm—into two firms last month. The other offshoot is Corbin & Co. For now, Wertz & Co. shares space with Corbin & Co. in Corbin & Wertz’s old building at 2603 Main St. in Irvine near John Wayne Airport

Wertz & Co. partner Greg Arbues said the new firm wanted to own a building rather than continue leasing. “As Corbin & Wertz we were paying \$55,000 a month for 25,000 square feet—that money at the end of the year doesn’t give us anything,” Arbues said. Wertz & Co.’s new building is 12,000 square feet. The developer is Jeffrey Corporate Centre LLC. The contractor is Riverside-based R.P. Wages. Wertz & Co. plans to move by August, Arbues said. A shift in practice focus prompted the breakup of Corbin & Wertz, Arbues said.

Wertz & Co. plans to focus on private businesses, while Corbin & Co. plans to go after public companies, he said. “Most of Wertz’s clients are privately held companies—they don’t get impressed by the big high-rise building that we’re in now,” Arbues said. “They’re more impressed with whether our location makes good economic sense and is practical. That’s what really is driving our decision to get our own building.”

Corbin & Wertz decided to split in September after the partners felt they no longer could hold the firm together, Arbues said. “Steve and Russ have been friends for 25 years,” he said. “There were growing differences in operating philosophies and management styles. They wanted to remain friends, but it’s awfully tough to run a firm of this size with two different sets of values.”

Corbin & Wertz was based in Irvine for most of the firm’s 18 years, including the past seven years at Century Center in the airport area. Being in the same building since the split hasn’t been awkward, Arbues said. Corbin & Wertz had been in the building’s sixth and eighth floors. Now Corbin & Co. is on the sixth and Wertz & Co. is on the eighth. “We just moved people within the building,” Arbues said. Corbin counts five partners and 25 accountants. Wertz has seven partners and 40 accountants and also inherited Corbin & Wertz’s Long Beach office. Wertz plans some modest hiring in the next year, Arbues said. “Business is

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good," he said. "It's better than what it was last year though, not as good as it was in 1999 and 2000. It's going to be a sluggish recovery. Based on that we'll likely hire another three to five professionals over the next 12 months."

Wertz expects to bring in about \$6.5 million to \$7 million in revenue this year, Arbues said. "We expect that to rise 10% for 2004," he said. "Our service sector clients are doing well. But the manufacturing sector is doing worse right now—a lot of those companies are hurting. All our clients are facing increases in insurance premiums and workers' compensation costs. Those cost increases are hitting our manufacturing clients especially hard." The combined Corbin & Wertz last year brought in about \$13 million in sales, Arbues said.

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