

FinTech, Payment Processing Companies Consolidate through Mergers

Global Payments, Inc. (NYSE: GPN), based in Atlanta, completed its merger with Total System Services (NYSE: TSS), known as “TSYS,” based in Columbus, Georgia. TSYS was a 2007 spin-off of Synovus Bank, which is set to become the largest bank headquartered in Georgia after SunTrust finalizes its merger with BB&T and establishes its new headquarters in Charlotte. Global Payments and TSYS each have a Tax Department of 6-8 professionals and there are no plans to relocate employees; the combined Tax Department will continue to operate out of two offices. The former VP of Tax for TSYS, Terry Bay, has been named Senior VP of Tax for Global Payments. Recently, GPN announced another acquisition, buying the merchant payments business of Canada’s sixth-largest financial institution, Desjardins Group, headquartered in Quebec.

Fidelity Information Services (NYSE: FIS), with one of the largest Tax Departments in Jacksonville, acquired global payments leader Worldpay (NYSE: WP), based in London with U.S. headquarters in Cincinnati. The acquisition will increase FIS pro forma revenue from \$9 to \$12 billion. “This combination significantly enhances the scale, portfolio and global footprint of FIS to help our clients capitalize on growth opportunities at a time of rapid marketplace change,” said CEO Gary Norcross in a news release. Margaret Rohan, an 11-year veteran of Fidelity Information Services, leads the Tax Department in Jacksonville as Vice-President of Corporate Tax.

Fiserv (NASDAQ: FISV), a global provider of financial technology services based in Milwaukee, completed an all-stock acquisition of First Data (NYSE: FDC), headquartered in Atlanta. Fiserv, which operated an Indirect Tax Department in Atlanta for several years, reported 2018 revenues of \$5.8 billion. First Data served 6 million merchants, the largest in the payments industry, handling 45% of all credit and debit transactions, with 2018 revenues of \$8.7 billion. Ryan Smith joined the Tax Department of First Data in 2017, after several years with VF Corporation in Greensboro, and now serves as Senior VP of Tax for the Fiserv parent company.

History of the “Big-Four” Accounting Firms in the United States

<u>Founders and Predecessor Firms</u>	<u>“Big-Eight” until 1989</u>	<u>“Big-Six” 1989–1998</u>	<u>“Big-Five” 1998–2002</u>	<u>“Big-Four” since 2002</u>
William Deloitte (1818-1898), London Haskins & Sells, founded 1895, N.Y.	} Deloitte, Haskins & Sells <i>Formed in 1978, New York</i>	} Deloitte & Touche <i>Merged in 1989</i>	} Deloitte Touche Tohmatu Ltd.	} DTT, branded as “Deloitte” <i>Revenues: \$46 billion</i>
Touche, Niven, Bailey & Smart, 1947 Philip S. Ross & Sons, Montreal, 1890				
Samuel L. Price (1821-1887), London Edwin Waterhouse (1841-1917), London	} Price Waterhouse & Co. <i>Formed in 1874, London</i>	} Price Waterhouse & Co.	} PricewaterhouseCoopers <i>Merged in 1998</i>	} PricewaterhouseCoopers <i>Revenues: \$42 billion</i>
Lybrand, Ross Bros. & Montgomery Cooper Brothers, founded 1861, London				
Ernst & Ernst, founded 1903, Cleveland Whinney, Smith & Whinney, London	} Ernst & Whinney <i>Formed 1979, Cleveland</i>	} Ernst & Young <i>Merged in 1989</i>	} Ernst & Young	} Ernst & Young, dba “EY” <i>Revenues: \$36 billion</i>
Robert Arthur Young, born in Scotland in 1863, immigrated to Chicago in 1894				
Peat Marwick & Mitchell, New York Klynveld Main Goerdeler, Switzerland	} KPMG Peat Marwick <i>Merged 1987, New York</i>	} KPMG Peat Marwick	} KPMG <i>Name Shortened, 1999</i>	} KPMG, a Swiss Cooperative <i>Revenues: \$29 billion</i>
Arthur E. Andersen, born in Chicago in 1885, the son of Norwegian immigrants				
	} Arthur Andersen & Co. <i>Founded 1913, Chicago</i>	} Arthur Andersen & Co.	} Arthur Andersen & Co. <i>Firm Failed in 2002</i>	} -----

Southeast Region Tax Department News

Gannett (*USA Today*) in D.C. Metro completed its merger with New Media to form the largest newspaper company in the nation ... Honeywell relocated its headquarters from N.J. to Charlotte ... Merger talks between Richmond tobacco companies Altria and Philip Morris broke down ... Newell Brands is moving its headquarters back to Atlanta from N.J., and its top tax executives will relocate to Atlanta ... Dentsply Sirona dental supplies is moving headquarters from Pennsylvania to Charlotte ... KEMET Electronics, which last year moved its headquarters from Greenville S.C. to Fort Lauderdale, will be acquired by Taiwan-based Yageo ... Tech Data in Clearwater is to be acquired by Apollo Management, which outbid Warren Buffett’s Berkshire Hathaway ... APR Energy in Jacksonville acquired by Seaspn Corp. of Hong Kong ... First Horizon Bank in Memphis is buying Iberia Bank in Lafayette, LA ... SunTrust Bank in Atlanta will divest 30 branches to First Horizon Bank as a final regulatory step before closing its merger with BB&T Bank, based in Winston-Salem.

Tax Executive Appointments in the Region

Delek Holdings in Nashville named Gary Weaver VP-Tax; he came from Hormel Foods in Minnesota ... Mohawk Carpet near Atlanta hired Donald Maher as VP of Tax, from Dow Chemicals in Michigan ... Paradies Lagardere in Atlanta, an operator of airport gift shops, appointed Sherrie Ricker as Tax Director, from Aaron Rents ... Marriott Vacations in Orlando named Chris Salamone Director of Global Tax; moved from WellCare in Tampa ... Cox Media Group in Atlanta appointed Wes Bond as Tax Director, from Avanos Health ... Tupperware in Orlando hired Denise Novey as VP Tax, from L3Harris in Melbourne, FL ... Aptean in Atlanta appointed Jim Wright as Tax Director ... REPAY Electronic Payments in Atlanta named Peter Cromey Tax Director, came from EY ... NN Bearings moved its HQ from Tennessee to Charlotte and hired Lauren Mather as Tax Director, from PwC ... Lumber Liquidators in Norfolk named Rich Hoffman as Tax Director; relocated from Chicago ... EmployBridge in Atlanta hired Dave Krupczak as VP of Tax, he came from a similar role at Novelis Aluminum in Atlanta.