START HERE
THE GUIDE FOR GOING PLACES
IN BUSINESS AND LIFE

THE CAP EXPERTS
WHO BUILD THE NBA’S BEST TEAMS

HOT JOB!
ON-LOCATION PRODUCTION ACCOUNTANTS

PREMIERE ISSUE SPRING 2005

BUSINESS GURU
DEREK FERGUSON

THE SECRET TO P. DIDDY’S SUCCESS?
You’ve heard it before, and though you may not believe it, I’ll tell you again—your future starts today. And this magazine is here to help you map it out. The concept of START HERE is to provide you with all the inside information you’ll need to succeed in an accounting or business career after college.

Since we’re the American Institute of Certified Public Accountants (AICPA), we know that many moguls have earned a certified public accountancy credential or rely on CPAs to make their business run more smoothly. We also know that you like music, film, technology, and fashion, so we asked the people at the top of those fields to share their success stories—and offer pointers on rising from college grad to head honcho.

But the interesting people and handy career advice you’ll find in these pages is just the beginning of what we have to offer. Our Web site, www.startheremagazine.com, is loaded with interviews, video profiles, college and professional resources, and games and workshops that will help you navigate your career path. Log on and register—it’s easy, it’s fun, and it’s free.

So START HERE. Read on and feel free to let me know what you think by writing to me at editor@startheremagazine.com. Which issues and articles catch your interest? If there’s something in particular you want to read about, let me know, and we’ll do our best to get it to you next time.

See you then. —Jill
Have no fear, the future begins now. To move forward...

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KEEPPING TABS

I’LL TAKE A HAPPY MEAL

If you’re in the mood to splurge the next time you’re in Philly or the Big Apple—or your parents are picking up the tab—consider some regional flavor in, say, a cheesesteak or a burger, but don’t make your travel plans yet: These are no ordinary sandwiches in taste or price—one costs $100 and the other rings in at $41.

**BARCLAY PRIME, PHILADELPHIA**

Why settle for the standard rib-eye burger with Cheez Whiz on an Italian roll when you can sit in one of Philadelphia’s swankiest neighborhoods—Rittenhouse Square—surrounded by crystal chandeliers and dine on a $100 cheesesteak sandwich? For that price, you will enjoy Kobe beef, melted Taleggio cheese, shaved truffles, sautéed foie gras, caramelized onions, and heirloom shaved mushrooms on a homemade bun. And forget the Coke: At Barclay Prime, your sandwich comes with a small bottle of champagne—provided you’ve got a valid ID.

**REALITY CHECK**

**I’LL TAKE A HAPPY MEAL**

**OLD HOMESTEAD, NEW YORK CITY**

Made from 20 ounces of pure American-bred Kobe beef, this $41 burger nearly caused a stampede the first day it appeared on the menu of Old Homestead, tucked away in Manhattan’s trendy Meatpacking District. The beef is tucked into a brioché hamburger bun and served with exotic mushrooms and field greens, Kobe beef chili, Vidalia onions, and peppers, then topped with a champagne-infused mustard sauce, homemade ketchup, and Cheshire cheddar cheese sauce.

**ULTIMATE BURGERS**

Here’s the fiscal breakdown:

**BROICHÉ BUN:** A FRENCH STYLE OF BREAD THAT’S RICH AND LIGHT.

**GARNISH:** FROM $6 TO $10 FOR EIGHT OUNCES. FOIE GRAS IS THE ENLARGED LIVER FROM A GOOSE OR DUCK THAT HAS BEEN FORCE-FED AND ROTTEN FOR MONTHS. OVER $1,000 PER POUND, TRUE BLACK TRUFFLES AREN’T A SUPERMARKET STAPLE. SHAVED TRUFFLES CAN BE PURCHASED AS OIL AND RUN $10 TO $25 FOR A FEW OUNCES.

**KOBE BEEF:** AT $189 PER POUND, KOBE BEEF ORIGINATED IN JAPAN AND IS CHARGED-BASED. WHILE THE MEAT HAS A HIGHER RATIO OF MARBLED FAT TO MEAT, GIVING IT A TENDER TEXTURE THAT RESEMBLES PÂTÉ OR BUTTER.

**CHEESES:** THE OLDEST TYPE OF CHEESE, CHEDDAR, COSTS ABOUT $15 TO $18 A POUND. TEN TO 20 BUCKS WILL GET YOU A POUND OF THE RICH 48 PERCENT FAT AND CONSIDER ‘CHEESE NULL OR SOFT’ CHEESES. ORIGINATES IN ITALY’S LOMBARDY REGION. THE STUFF MAY TASTE GREAT, BUT IT SMELLS LIKE YOUR ROOMMATE’S MUSTY SHIRT.

WHILE BOTH OF THESE SANDWICHES MAY ADD TO THE DREADED “FRESHMAN 15,” AT LEAST YOU DON’T HAVE TO CLEAR YOUR OWN TRAY WHEN YOU’RE DONE SCARFING THEM DOWN.

—Nichelle Alperin

**ACCOUNTANTS’ RANK IN A U.S. SURVEY OF THE AVERAGE SALARY OF COLLEGE GRADS. THE ANNUAL PAY OF $43,050 IS SURPASSED ONLY BY ENGINEERS AND COMPUTER SCIENTISTS.**
LET THE GAMES BEGIN

Aficionados rejoice! Now is the time to splurge on newcomers to the video-game stratosphere. These next-gen systems won’t even leave a dent the size of an iPod.

GAME BOY ADVANCE SP

NINTENDO DS

Can You Run Nike?

After 33 years at the helm of Nike, Phil Knight, CPA, decided to “just do it”—step down as CEO. Do you have the style and savvy to swoosh in and fill his shoes?

Sony PSP

Money Means Business

In Thomas Weirich’s forensic accounting class at CMU, students learn methods of fraud detection, investigation, and prevention.

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PERCENT GROWTH OF ACCOUNTING JOBS OVER THE NEXT FOUR YEARS—THE PRECISE YEARS WHEN YOU WILL BE JOB HUNTING.
Road Trip

A pack of buddies piled into a car filled with junk food, dirty clothes, and travel guides is an experience you’ll likely want to have only once in your life—but it’s one you should take while it’s there. The college road trip has its own set of rituals, and the stories you’ll take away you’ll be telling for years to come. While some students hit the road with no destination in mind, many seek resort towns that are better known as spring-break hot spots, no matter the time of year. And while minding road rules is important (none of mom’s lectures here), you should also be aware of other potential scams that target college students (see box on next page).

Read on to see where students from colleges around the country like to relax, and keep in mind that when it’s all tallied up, most weeklong trips that require a flight cost about $1,000 plus pocket change. Your car trip will cost significantly less.

Now get packing!

Where’s Waldo? He probably skipped and headed for Negril, Jamaica, where for about $125 per mile of beach (it’s just seven miles long) his friends from Indiana University are “chilling out” at that island’s open-air bars.

Pssst, lay off the Crisco. This dude’s mind is far from Negril, Jamaica, where for about $500 per night his mom’s lectures here), you should also be aware of other potential scams that target college students (see box on next page).

Where’s Waldo? He probably skipped and headed for Huaraz, Peru, to soak his body and mind, along with 10 Yale students who went to study corruption and rebellion. All that cool costs just $1,200 for 10 days.

A beach is a beach is a beach is a beach, and any will do. Lots of George Washington U. students head to the site of the reality flick The Real Cancun—filmed in just nine days with 4 monitors, 16 “actors,” and ultimately 500 hours of footage—to revel in the Mexican sun.

This cowboy is sure glad to be resting on terra firma, bucking the trend of riding the mechanical bull with his University of Texas at Austin pals on South Padre Island. After all, most riders last just 15-20 seconds for a $5 ride. Is that it?

I do believe these rays are making me woozy! Whilst my UC Berkeley comrades raft the 21-mile rapids of California’s South Fork River for two days at less than $300, I reach gingerly for my Deer Park bottle (resort-town price: $3).

I think I’m cooked. I kinda shoulda gone to help build houses for Habitat for Humanity. Did you know they use 42,970 nails, 600 pieces of lumber, and 50 gallons of paint for each three-bedroom house? Coulda got the same tan while I toned my muscles doing hard labor!

Summer Scams?

These fees are hidden in travel ads:

- International departure and arrival taxes: up to $90
- Processing fees: up to $12
- Peak-week surcharge: For example, going away the week of spring break could cost you $100 extra!
- Late booking fees: up to $100
- Credit card surcharges: Pay up to $25 to use plastic
- Departure city surcharge: $50 extra from Boston. What could it be from Indy?
- Travel insurance: Pay $30 to get a refund for your trip if you get sick. Beware, some companies sneak in the charge whether you ask for it or not.
- Fuel surcharge: As if it’s your responsibility, travel companies will hit you up for about $30.

TOTAL: $437
When Majesco began launching its own game titles, it needed cash—lots of it—to finance the development costs.

As the chief financial officer of Majesco Games, Jan Chason is the CPA who keeps blood-red ink off the ledger.

The development costs of high-end games like BloodRayne and the upcoming science-fiction action-adventure Advent Rising, it needed cash—lots of it. "Majesco needed to bring people in at a higher level with more varied experience," says Ken Gold, Majesco’s vice president of marketing. Enter Chason. With him as CFO, the company had someone who could make it a player on Wall Street. His first move was to look for capital. "We did a lot of pounding the sidewalk," he recalls. Chason and Jesse Sutton, Majesco’s president, met with potential investors—hedge funds and investment bankers—making presentations until they could mutter them in their sleep. They decided the best strategy for Majesco was to merge with an already public corporation, rather than begin the process of selling shares to investors, or "taking the company public," anew. (The process of purchasing a dormant public company to take a private company public is known as a reverse merger.)

Chason’s role in structuring the merger deal was crucial. "I had to do due diligence to find out who we were dealing with," he says of the process that required him to tirelessly pore over the accuracy of information provided in public documents. Once he completed the monster-size task of reviewing the potential partner company’s financial and legal history and was sure there would be no surprises down the road, the deal went through.

Today, Majesco is preparing to issue another $100 million in planned, the stock—which currently trades in a limited, speculative market known as "over the counter"—will be listed on the prestigious and tech-heavy Nasdaq National Market.

"I got together and what they meant." Later he joined SFX Entertainment, which is now the advertising and entertainment behemoth Clear Channel Communications. One of the skills he picked up at SFX is known in the biz as "roll-the-high-score rush by just "seeing the money come in."

As the "suit" behind the success of Majesco Games, Jan Chason is the CPA who keeps blood-red ink off the ledger.

To call Jan Chason a desk-bound accountant would be like calling the sexy, red-headed vampire in the BloodRayne video game a basic Barbie.

As the chief financial officer of Majesco Games, the company that created BloodRayne, Chason is the man who keeps blood flowing in this vampire’s—and her fellow electronic play pal’s—veins. Chason makes things happen in the executive suite and, by extension, in the dark worlds his company conjures up on your Xbox or Game Boy.

Consider a few highlights of the two years that Chason, a CPA, has been with the gaming company: He raised $26 million in financing, took Majesco—a formerly family-owned, private company—public, and found financing for new technology that lets us use our Game Boy to play SpongeBob videos, send instant messages, or play wireless games with friends. Whew, this man must be spent.

But wait, there’s more: the routine but still monumental work of "getting our numbers done in a timely fashion," Chason says. More specifically, he’s responsible for reporting income to investors, monitoring short- and long-term corporate goals, and keeping squeaky-clean records for the IRS. He’s also helped propel the company from roughly $49.7 million in annual revenues in 2002 to more than $121 million in 2004. So it should come as no shock that an afternoon of kicking back to vamp it up with BloodRayne doesn’t quite fit into his schedule.

"Just who is Chason, and how did he come to spend his days running a company filled with a bunch of videoheads? He began his career in a typical way, working at a big firm, in his case, Ernst & Young, where he was an adviser to entrepreneurs. "I love business, and thought that the best background for business was to learn the financial end," he says of why he became an accountant and a CPA. "I enjoyed understanding how the numbers got together and what they meant." Later he joined SFX Entertainment, which is now the advertising and entertainment behemoth Clear Channel Communications. One of the skills he picked up at SFX is known in the biz as "roll-ups"—that is, buying private companies and putting them together to form a public company. "We did that for sports agents and the live entertainment, touring, and promoting [industries]—they all ended up in SFX or Clear Channel," he says. Then Majesco came knocking.

Based in Edison, New Jersey, Majesco started in 1986 as a value seller, or a company that unloads overstock of another company’s products. The company would make a deal with retailers like Target or Wal-Mart to provide them with merchandise, but Majesco wouldn’t go out and buy the goods contracted until the ink dried on the contract. "First it would sell the product, and then it would buy it," says Chason. The process taught Majesco’s management team an important lesson, says Chason: It’s easy to forecast larger sales than you can get. "Today the company looks at what it could lose rather than what it could make," he observes, noting that understanding market risk is a sound business tactic.

In 2002, Majesco began developing and launching its own game titles, but to finance the development costs...
He aliens are creeping up over the hill, and the locals are in a frenzy. Despite the snow and black night, hundreds of residents are running helter-skelter to get out of the gruesome invaders' reach. They leap onto a nearby boat hoping to be ferried away to safety. Some are slipping into the icy water, their cries drifting into the night sky. Tom Cruise is there too, rushing his family to the boat and out of harm's way.

Cut! It's War of the Worlds Redux, and Steven Spielberg is directing the remake (due in theaters this June) of the 1953 classic. Filming is under way on a wintry...
When a production accountant saves a film money, it buys the producer more time.

...but the real heavyweights who prop up this flashbulb-seducing industry are the executive producers (EPs). While directing and acting require a kind of tunnel vision, producing requires a big-picture (pun intended) approach and a pile of movie-making skills heaped with creativity, business smarts, a knack for solving problems, and a real-world understanding of working within a budget. For that, EPs rely on talented production accountants. Says Fred Zollo, producer of such hits as Mississippi Burning and Quiz Show: “Those guys [production accountants] are great to have around because time is money. If someone can save you money, it can buy you more time.”

The dean-and-dirty details of the producer’s job are absent from textbook and career counselor literature for good reason; the term ‘producer’ is a bit of a catchall and the job description is hard to pin down. There are plenty of types—Chris Rock rocks this Mike in Head of State, left. Johnny Deep and Orlando Bloom silver their timbers in Pirates of the Caribbean. Tom Cruise, Star of War of the Worlds, left. Kathleen Kennedy with Director Gary Ross on the set of Seabiscuit. Chris Rock rocks this Mike in Head of State, left. Johnny Deep and Orlando Bloom silver their timbers in Pirates of the Caribbean. Kathleen Kennedy’s relentless work in planning this scene—it has taken her staff nearly four months to nail down every detail—represents the clout of producers. They set the wheels in motion so that directors can smoothly film complicated scenes, making sure that, once on location, everything is in place—from set construction and equipment to crew and extras—to pull off the action. “The producer is constantly interpreting the director’s needs,” says Kennedy.

On the set of one of the year’s most anticipated movies, filming is “right on schedule,” reports Kennedy, whose appreciation for detail is perfectly suited for the producer’s chair: “I hate chaos,” she says.

So do you still want to be in pictures or do you want to be making them? The red-carpet struts, kiss-and-tell tabloid coverage, and free couture treatments are reserved for directors and actors—yet the real heavyweights who propel up this flashbulb-seducing industry are the executive producers (EPs). And without a reliable staff of line producers (LPS) and production accountants, a film could be doomed from the start; Veteran filmmaker Paul Lazarus, who now heads the University of Miami’s motion picture program, says it’s the producer who gets the party started. They often come up with the idea for the movie, pitch it to the studio(s), assemble the creative team, and handle the nitty-gritty issues, like working up a realistic budget, schedule, and marketing and distribution plan for the film. Then they wait: It typically takes about three to five years from inking to critical ink for the fraction of pitched films that are actually green-lighted to get made.

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You don’t need to be a director, producer, or have any celebrity wattage to walk the red carpet at the Academy Awards ceremony. Witness Rick Rosas and Greg Garrison. These guys aren’t party crashers; they’re the ones who, along with a team of nine other accountants, spend 1,700 hours in the days (weekends too) before Oscar night counting every ballot cast in each category for the biggest awards ceremony on earth. They’ve certainly earned their grand entrance.

The Academy of Motion Picture Arts and Sciences tapped accountants to conduct the ballot-counting in 1935 to ensure the integrity of the voting process and because they could keep a secret. So as CPAs at PriceWaterhouseCoopers (PWC), Rosas and Garrison are merely doing their job when they travel in limousines, strut the red carpet, and stand backstage passing off envelopes to say, Hal B. Halle Berry. Part of that job is to keep off the beaten track in each category. (They memorize who wins to avoid publicly disasters like the incident in 1993, when rumors swirled that presenter Jack Palance couldn’t see the name of the Best Actress in a Supporting Role winner in his envelope and simply announced his Cousin Vinny’s Marisa Tomei.) They tally up the votes by hand. “We tabulate the results in an intentionally low-tech manner,” says Garrison, who has been part of the Oscars ballot-counting project for a decade. For Rosas, who spends the rest of the year as a tax specialist in the entertainment and media division at PWC, the Oscars job is plum. “I can’t think of a more exciting and rewarding assignment for an accountant!”

The nominations themselves don’t always provide the only drama of the night. In 1968 Barbra Streisand and Katherine Hepburn tied for Best Actress, and in 1932 two actors were declared co-winners when they came within just one vote of each other. (Today, there is no forgiving a one-vote difference.) And if you’ve ever been stunned that Jim Carrey has never won the Golden Globe while one-timer Eminem has (Best Song for 8 Mile), don’t come looking for Garrison and Rosas. They’re not allowed to vote.

BY THE NUMBERS

4,15,000+ The approximate number of ballots counted by PWC in 10 years on the job.

2,400+ The number of envelopes stuffed since 1991.

1,700 The number of man-hours it takes to hand-count and verify the ballots.

51 The number of broadcasts PWC has appeared on since 1952.

7 The number of days it takes to just count and verify the ballots for nominations.

5 The first year the Oscars were televised. In the past, the accountant would come on stage to hand-deliver the envelopes—hence, “And the envelope please.”

PWC’s Burning and Quiz Show: “These guys [production accountants] are great to have around because time is money. If someone can save you money, it can buy you more time.”

The dean-and-dirty details of the producer’s job are absent from textbook and career counselor literature for good reason; the term ‘producer’ is a bit of a catchall and the job description is hard to pin down. There are plenty of types—Chris Rock rocks this Mike in Head of State, left. Johnny Deep and Orlando Bloom silver their timbers in Pirates of the Caribbean. Tom Cruise, Star of War of the Worlds, left. Kathleen Kennedy with Director Gary Ross on the set of Seabiscuit.
of producers, as evidenced by the never-ending credits that roll at the end of a film. While there is only one line producer on each project, all those producer credits are not overkill. It’s rare that just one person on a feature film could go alone; depending on a movie’s size and budget, it takes a tribe to carry the picture.

The head honcho—the one charged with development and creative tasks—is the executive producer. Typically, that’s the person who comes up with the idea for the film in the first place and then finds the coin to make it happen. At an average cost of $63 million (plus another $35 million for distribution costs) for a feature film, the strongest sells can be the ends with the director, screenwriter, and stars already in alignment.

“Everyone who produces well—who takes a movie from soup to nuts—should have a strong sense of what things cost and how to allocate resources,” says Zollo. “You need to know the boundaries of the show you are producing.”

Producers count on their accountants who have a sound head for numbers to keep a movie moving smoothly through filming and production. When expenses run amok, it can derail a movie. That’s why EPs look to production accountants, the people who keep track of the day-to-day expenditures. The line producer and the production accountant also take over the essential role of overseeing the budget and tallying the daily numbers. “They delight in the numbers,” says Zollo. “They are fastidious. They know what everything on the set costs at every minute.”

But if you think it’s a cake walk to balance a bank book with a blackbuck’er budget, think again. “The larger the movie, the more you need to keep on track,” says Zollo. His finest on-set accountants are there all the time, on top of filming costs and other financial concerns. “Good ones have kept me very cognizant of where we are going. It’s a big job—$150 million is a lot of money to be responsible for over the course of six months.”

The budget accounts for more than the salaries of stars, directors, and screenwriters; there are also “below-the-line” costs, or items that are not committed to before production begins. Typically these expenses include visual effects, design, crew, equipment, publicity, and music rights. For this, the LP or on-set accountant compiled a “hot list” to keep the studio up-to-date on the film’s daily expenses. It includes money spent on everything from sandboxes for a sand scene to sheet music that is going to be used in a particular song.

An actor’s job may be done when the shoot is wrapped, but the producer is still offering support to the director, reassurance to the studio, and moral support to whomever needs it.

On the final, the payoff. “Half of a film’s success rests on the distribution process,” says Lazarus, who wrote Produced By... Balancing Art and Business in the Movie Industry (Silman-James Press). Distribution and marketing, if flubbed, can sink a movie. Think Wonder Boys. “It was marketed as a Michael Douglas movie when it should have been marketed as a youth-oriented picture,” says Lazarus of the great film (see it!) starring Tobey Maguire and Katie Holmes. But it flopped.

Ultimately, the best producers can both dream and execute, think big and small. They can imagine a new War of the Worlds but also counter them. Says Kennedy: “You plan everything to the nth degree. Then once you are on the set, you have to still be anticipating the unanticipated.”

Sometimes a producer finds that no amount of planning can prevail against some hedged, offscreen action. For Lazarus, “shoot” took on a new meaning when he learned his Mexican location for Blackwater, a 1982 Western starring Willie Nelson and Gary Busey, was home to a sniper who preyed on trespassers. “I had to call the local police and get the guy flushed out,” he says.

While a producer backs up the director, a line producer is often called to back up the LP. The LP is often charged with creating a production plan and shooting schedule, hiring crew, scouting locations, and working out tricky logistics. Year’s of film experience coupled with common sense, a savvy financial head, and a mind for minutia make a line producer an effective manager for the day-to-day business of the set and shoot.

What’s life like on a set?

It’s very hectic. But it’s also fun and casual. The hours are really long, but the people are very interesting and we laugh a lot. I also travel a lot.

Does the pay make up for the long hours?

Starting out you can make $850 week. After about seven years working on feature films, I now make about $150,000 a year. And the nice thing is you can take breaks in between movies.

So what do you do exactly?

I estimate and budget feature films. As the movie takes shape, I advise them where the money is financially from week to week. On a $20 million feature, I usually have four people working for me.

It can get really tense, right?

It can get really emotional, too, because you spend so much time together. I worked on Copland, with Harvey Keitel, Ray Liotta, and Sylvester Stallone. During the filming, a leading actor’s new baby needed surgery. He wanted to go home to be there for the operation. I had to figure out how much money it would cost to stop shooting for a week: $350,000. Not every situation is a dire crisis. Someone may get sick or the weather can slow down filming. I have to figure out the financial ramifications of how every department would be affected, from wardrobe to equipment rentals to extras salaries.

What’s your advice to students who want to become production accountants?

Start as an intern while you’re still in school. Call the big production companies and ask if you can work for a week or so. If you’re good, you can often get hired on for longer. It helps to have a finance background, so take accounting classes and learn how to use computer spreadsheet programs.

What was your last movie?

I just finished Find Me Guilty, directed by Sidney Lumet and starring Vin Diesel. Lumet finished the film two days early. So sometimes the financial news is good.
Winning teams need more than 7-foot hoopsters—CPAs and lawyers join coaches in making deals happen. From left, John Paxson, Irwin Mandel, and league commissioner David Stern.
In 1984, the NBA became the first modern league to enact a cap, limiting teams to spending just $3.6 million that year—a whopping $24 million less than Shaquille O’Neal alone would earn this season! But as the cap’s dollar amount has increased over the years—this season stands at about $43.87 million—its rules have grown increasingly complex. Today there are so many loopholes and clauses that each team employs a go-to exec whose main duty is to know the cap regulations inside and out.

THE POINT GUARD OF PAYROLL
The all-star front-office cap expert is the Chicago Bulls’ Irwin Mandel, a CPA and the team’s senior vice president for financial and legal matters. It is his accounting skills and experience that have earned him the respect of players and coaches leaguewide. NBA commissioner David Stern said, “There’s nobody in the NBA [who] understands the intricacies of the salary cap better.”

“I’m extremely lucky,” says Mandel. “I couldn’t have a job that would be more enjoyable or more interesting or more stimulating or more fun.”

Mandel works closely with Bulls general manager John Paxson to analyze every potential personnel move from a salary-cap standpoint. “The general manager doesn’t say to me, ‘Irwin, is this a good move basketballwise?’ But he does say, ‘How can we do this?’”

“The salary cap is a factor in every decision you make with your team,” says Mikes Brat, the Cleveland Cavaliers’ director of basketball operations. “Not only to determine if acquiring someone is possible under the rules, but also how it affects your team immediately, capwise, and in the future. You take all that into consideration any time you are looking at a player.”

SLAM-DUNKING DEALS
Mandel prides himself on finding a way to complete any deal, no matter how complex. The first priority, he says, is getting together the right players on the court. Then he makes his accounting play: “It and running spreadsheets. Take, for instance, the six-player trade that sent the Bulls’ Jamal Crawford to the New York Knicks last summer. I had literally about 40 pages of different scenarios in getting that to work,” Mandel says. “This job involves being creative, being aggressive. If route A doesn’t work, you try route B, then C or D or E.”

The NBA also has what is known as a “soft” cap, which means teams are allowed to exceed the cap limit in a number of instances. The higher your team’s combined total efficiency ranking, the better your cap limit will be, according to Mike Minarikzy, the controller for the New York Jets.

Knicks (who were already over the cap) to acquire him from the Bulls, rather than off the open market. All a bit more complicated than a free throw, for sure.

The Bulls sought to clear cap room for future seasons by trying to unload expensive, long-term deals while receiving players in the final year of their contracts. And while the Crawford trade may seem like a case of the tail wagging the dog, Mandel says the alternatives—a less restrictive cap or its elimination altogether—are simply not an option. “I think the cap has helped save the NBA,” he says. “All leagues should have caps, and I’m not just saying that as a part of management; I’m more importantly saying that as a fan. The cap ensures competitive balance.”

For basketball teams, the work is done all within the constraints of Start Here’s own $40 million salary cap.

LEARN MORE ABOUT BREAKING INTO THE BUSINESS OF SPORTS AT STARHEREMAGAZINE.COM WHERE YOU’LL MEET (VIA VIDEO PROFILE) MIKE MINARCZYK, THE CONTROLLER FOR THE NEW YORK JETS.
If you walk into the average Manhattan office tower in this post-9/11 world, you’ll have to show picture ID and register on a sign-in sheet. But at Bad Boy Worldwide Entertainment Group on Broadway, the security is even tighter: you’re required to have an escort—at least if you’re headed to the fourth floor. “That’s Puffy’s floor,” explains a security guard, who, befitting a corporation whose...
“If you just look at [a deal or an annual report] like numbers on a page, it will be boring... If you start understanding what those transactions mean... the job comes alive.”


PREMIERE ISSUE SPRING 05 www.startheremagazine.com

The A Train

Need tips on making it from the Bronx to Bad Boy? Follow Ferguson’s advice:

• Keep learning. The end of class, or school, doesn’t mean your mind’s not ripe for new knowledge. Every experience offers new lessons—don’t turn your back on them.

• Take risks. Ferguson started a niche magazine which he later sold. Risky endeavors, whether successes or failures, lead to wisdom.

• Set goals. Keep learning. The end of class, or school, doesn’t mean your mind’s not ripe for new knowledge. Every experience offers new lessons—don’t turn your back on them.

Then music came calling. He was vice president of BMG Entertainment when Puffy handpicked him for CFO.

“I always say to people what’s great about accounting is that when you learn about a business from the transactional level up, you learn about it more thoroughly than if you’re learning about it from the bottom down.”

The money didn’t hurt either. “My dad used to pay me like an employee,” Ferguson remembers. “My friends were amazed I was getting checks at 13. You learn that you work and you get paid. I always had money in my pockets.”

These days it’s quite a lot of money tucked into the pockets of his pin-striped suit. The executive, who lives in Connecticut with his wife and three children, pulls down a salary he describes as “well into the six figures.”

But what do you call a guy who keeps changing his name, from Sean Combs, to Puff Daddy, to P. Diddy? “He’s your boss, so it’s hard to call him P. Diddy,” Ferguson admits. He blushes: “Probably for the first year I didn’t call him anything.”

PREMIERE ISSUE SPRING 05
ACCOUNTANTS BY DAY AND ROCKERS BY NIGHT, THE ACCOUNTING CROWS SHAKE UP THEIR REVENUE REVIEWS WITH A LITTLE ROCK 'N' ROLL     BY REBECCA KEEGAN

EARNING AN 'A' IN MATH ISN'T JUST GOOD FOR COUNTING CHANGE AT MCDONALD'S. IT CAN ALSO SCORE YOU A STUDIO FULL OF MUSICIANS WHO NORMALLY BACK UP THE LIKES OF THE ROLLING STONES AND ARETHA FRANKLIN TO PLAY ON YOUR FIRST ALBUM. OK, YOU HAVE TO BE A GRADE-A GUITARIST, TOO.

THAT'S HOW IT WORKED OUT FOR ALAN FRIEDMAN, ONE OF FOUR CERTIFIED PUBLIC ACCOUNTANTS IN AN APTLY NAMED GARAGE BAND, ACCOUNTING CROWS. HIS ACCOUNTING JOB COMES WITH PLENTY OF PERKS, NOT THE LEAST OF WHICH HAS BEEN SOME SERIOUS HELP WITH HIS PET PROJECT, A DEBUT SOLO ALBUM CALLED THE TEST OF TIME (HE DESCRIBES IT AS "BAD '80S ROCK"). FRIEDMAN ENLISTED THE SINGER
And Friedman, cofounder of the Connecticut accounting firm Friedman, Kanneberg & Company, was happy to help. "I'll take any excuse to get out and do a gig," says the guitarist, whose firm boasts music industry clients like the drummers for Clay Aiken, Enrique Iglesias, and Britney Spears, the Rolling Stones' studio musicians, and a number of music retailers.

The band's three other members, vocalist John DeGrego, drummer Mike Fortunato, and bassist Reed Risteen, flanked by their background singers, the Crowquettes, are committed to breaking stereotypes (and maybe some amps) about the personalities of accountants while balancing the books. After their career-fair debut, the Crows started getting requests to play at conferences, charity gigs, and clubs. A popular event is their annual April 15 gig, a chance for weary tax preparers to get jiggy with it and dance to some of the band's top requests, like "Taking Care of Business" by Bachman Turner Overdrive, the Beatles' "Taxman," and (ha ha) "Born to Be Mild."

As music enthusiasts, some of the Crows entertained the idea of rock 'n' roll as a full-time career in their 20s. "We all wanted to be rock 'n' roll stars," says Zampino, "but we didn't want to live their lifestyles." Friedman is the only one whose day-to-day work directly involves the music industry. In addition to doing tax returns for his music industry clients, he makes sure their bills get paid while they're on tour, and he also offers financial seminars at music trade shows.

In some ways, the languages of music and accounting require the same thought process, says Risteen, who decided to major in accounting in college because it was a marketable degree and now works with nonprofits as a partner in the firm Blum Shapiro in West Hartford, Connecticut. "Music and accounting are surprisingly similar. They both require an analytical mind." Friedman, who first took to accounting in a high school class, agrees, pointing out that the math skills necessary for keeping the books are the same for drumming out a rhythm. "There's a strong right-brain correlation," he says.

One subject that Friedman feels strongly about, as both a CPA and a musician, is the issue of downloading music from the Internet. He has an iPod and regularly buys songs from iTunes. "Ethically and morally, it's wrong to take that music without paying for it," he says. "As an accountant and protector of assets for my clients, it's important to me that they get their rightful share." When it comes to their own band, though, these CPAs don't worry about dollars and cents. "We got paid for one wedding," says Zampino. "I think we used the money to buy a PA system." Otherwise, the band plays for free or gives the money to charities. For these Crows, it's all about the fun of it.
PUZZLING MATTERS

THE LIFE OF PI

Americans eat approximately 100 acres of pizza each day, or about 350 slices per second. But did you know . . .

Pepperoni is America’s favorite topping. In fact, 2.517769 pounds of pepperoni are consumed on 36% of all pizza orders.

Brain-teaser

Any way you slice this brain-teaser, you’ll want to remember that it’s all about pi. Q: The 10” pizza sells for $5 at your favorite pizza store. The store claims they have a great deal on the large 12” pizza, which is specially priced at $6.10. What is the percent discount the store is offering?

Sources: PIZZACARE.COM

Answer:

93% of Americans eat at least one pizza per month.

Each man, woman, and child in America eats an average of 46 slices (2.3 pounds) of pizza per year.

In some American locales, pizzerias serve pies with such gourmet toppings as oysters, anchovies, dandelions, sprouts, Cajun shrimp, artichoke hearts, and tuna. Some even use Vernon and duck as toppings.

Some of the funkier toppings: peanut butter & jelly, bacon & eggs, mashed potatoes.
I never imagined when I was growing up that I would become an accountant, much less certifiably so. As a kid in the South, I played every sport I could—soccer, football, racquetball, surfing, biking. When it came time for college, my decision was based on athletic and academic opportunities, knowing I’d never be a professional athlete.

I decided on the College of William & Mary, where the football team was strong and the academics were among the top in the country. At first I stumbled between majors, undecided as to which academic building I wanted to spend the next few years in. First it was math, then sociology and government. I even dabbled in women’s studies at one point. It was eventually Principles of Accounting, a required intro in the business school, that caught my attention. My professor, Dr. Dafashy, brought the material to life and the real world into the classroom, applying business concepts to everyday life. When we were talking about inventory, he’d relate it to a party and the number of beers in the fridge.

Accounting is a great major, especially if you want a job when you graduate. There is a growing need for accountants, and firms recruit aggressively—and early—on campus. I made contacts as a sophomore, did three externships my junior year, and had multiple offers for summer internships after my junior year. As for a “real job,” most accounting majors had offer letters in hand the summer after junior year—some with a signing bonus—so there weren’t any job-related worries senior year.

Since I had already finished my undergraduate program, I used my fifth year of NCAA eligibility to earn a master’s in accounting. That time allowed me to meet the criteria to sit for the CPA exam in most states—completing 150 semester hours of education.

As graduation loomed, the transition from school to work was somewhat scary. I backpacked around Europe with friends to relax before I started a CPA review course, then I passed the whole CPA exam on my first try!

Today I’m a senior accountant at XO Communications, a company that peached me from my job at a Big Four firm. I work hard, love what I’m doing, and am generously rewarded.

Most of us had offer letters in hand the summer after junior year—some with a signing bonus—so there weren’t any job-related worries senior year.

I was surprised how necessary interpersonal skills are in the accounting world. I have to deal with clients and tax authorities, establish and maintain business relationships, and go to conferences and meetings that remind me of rushing a fraternity. Public accounting is a client-service industry, and you need people and technical skills to be successful.

My experience has been even greater than I had expected. As a CPA I have an interesting job that gives me the time to live the life I want to lead, coaching, traveling, and enjoying my nights and weekends. I am truly, certifiably, happy.