



NEW BUSINESS: Sam Patrick created his marketing business after leaving Elliott Davis.

Eva Prado/Staff

The children of Elliott Davis

They're known for their encouraging ways. And the Upstate is now home to a growing list of new businesses whose founders and chief executive officers got their start at this firm that specializes in the business of taxes.

BY **JOHN BOYANOSKI**
staff writer

Horace Gray Williams formed his Anderson-based accounting firm in the 1940s. The company's ownership stayed in the family until 1998 when his grandson, Gray Suggs, decided an offer to merge with Elliott Davis was too good to pass up.

But changes in federal regulations coupled with a desire to work more closely with clients led Suggs to go solo again two years ago and restart his grandfather's firm as Suggs Johnson. His new business partner is Brian Johnson, who had also worked at Elliott Davis.

The agency has done more than \$1.5 million in billings in the first two years, and it is quickly outgrowing its offices in downtown Anderson.

Suggs Johnson is but one of the firms formed in the past few years by people who have worked with Elliott Davis. That includes people starting accounting firms, marketing companies and information technology companies.

They say Elliott Davis offers a good environment that encourages employees to think big, said John Markel, a former shareholder, who left the company after almost 26 years to form Markel Valuation in 2003.

"They have been fostering that kind of growth for decades," he said.

Elliott Davis was recently named one of South Carolina's top five companies to work for. The firm's commitment to recruitment, mentoring young employees, a flexible work environment and encouraging women in leadership were cited.

Irv Welling, the firm's chairman emeritus, said while the company

doesn't like to lose valuable employees, it knows that is part of the business. The company's main goal is to recruit talent.

"People are going to go out and spread

"They (Elliott Davis) have been fostering that kind of growth for decades."

JOHN MARKEL
FOUNDER OF MARKEL VALUATION.

their wings," he said. "It's painful to lose them, but we understand and wish them luck."

And while an entrepreneurial spirit is driving part of the growth, the 2002 Sarbanes-Oxley Act is also a factor. Congress created new accounting standards for publicly held companies after several major corporate scandals.

Elliott Davis was never accused of any wrongdoing during this time, but the changes led to a major shift in the accounting world as companies split off divisions or created new ones to come into compliance.

That is what happened to Markel,

who had been with Elliott Davis since 1977 and formed a separate division in 1995 that specialized in business valuation, forensic accounting and litigation/dispute resolution services.

After Sarbanes-Oxley, he purchased the division from Elliott Davis, and set up his own firm to do the same practices. He said it was tough to leave a company that he had spent so much time in, but also felt it was the right venture for him.

Elliott Davis traces its roots to Elliott, Davis and Co., which was a Boston-based firm that specialized in the textile industry. Not surprisingly, the company decided in 1925 it was time to look into the textile industry in the South and sent an associate, Merrill Patten, to open an office in Greenville.

According to the Elliott Davis history, Patten was a one-man show who traveled to the other cities in the Upstate, using electric trolley cars.

The company grew quickly, and not even the Depression could slow down the steadily growing business. In 1939, when James Elliott, the firm's founder, died, it was decided that the company's headquarters would follow Patten south.

The company continues to grow, Welling said. In the last few months, it has acquired firms in Charleston and Charlotte and opened a branch office in Myrtle Beach.

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Some of the Elliott Davis spin offs and connections

CLOCKWORK CFO – Outsourced consulting and chief financial officer services for regional businesses. Founded three years ago by two former Elliott Davis managers, Anna Locke and Brian Clark.

MARKEL VALUATION – John Markel, former partner at Elliott Davis, spun off his growing valuation business in 2005.

SUGGS JOHNSON LLC – Anderson-based bookkeeping and tax firm founded by a former Elliott Davis partner, Gray Suggs.

PATRICK MARKETING – Sam Patrick's business started as a paying consulting division within Elliott Davis before becoming a stand-alone provider of marketing director services to regional businesses.

BAKER CONSULTING – IT consulting group, which started as the in-house IT group for Elliott Davis before going solo four years ago and run by Danny Baker.

THE CLIFFS – Former Elliott Davis partner Tim Cherry is now head of strategic planning and finance for The Cliffs.