



# NATIONAL HIGH TECHNOLOGY INDUSTRY GROUP

**MARCUM**  
ACCOUNTANTS ▲ ADVISORS

# National High Technology Industry Group

Marcum LLP has multiple service line professionals dedicated to serving the needs of the technology industries. From development stage startups to accelerated filers Marcum has the breadth of experience to deal with the challenges technology companies face. Our Technology Services Group encompasses life sciences, bio-tech, software, hardware, clean tech and telecommunications and advanced manufacturing companies such as aerospace.

We have identified a set of shared challenges across this industry and have addressed these challenges with a deep and experienced bench of professionals.

Here are some of the characteristics impacting the technology industries and the Marcum response to these challenges.

## **ISSUE: Focus On Raising Capital**

### **Marcum Response**

- Familiarity with the accounting and tax Complex terms that can appear in PIPEs, Venture or angel funded deals.
- Marcum has the 9th largest SEC practice in the US with multiple public companies across a wide range of industries.
- Many technology companies enter into convertible debt and other security transactions that have terms that can lead to complex accounting. We help keep our clients aware of the accounting and tax implications of these terms to minimize surprises and unforeseen consequences.

## **ISSUE: Investor Exits**

### **Marcum Response**

- Marcum has the 9th largest SEC practice in the US with multiple IPOs, reverse mergers and successful M&A transactions.
- Marcum's Tax practice can assist with deal structuring (Asset vs Stock sale, Section 382 issues and other sections of the IRS Code that can affect the treatment of gains during a transaction).

## **ISSUE: Complex Revenue**

### **Marcum Response**

- We realize that for many companies the business models evolve over time such as the migration from an enterprise sale to Software as a Service. There are many nuances to a multiple element contract and companies seek to offer end to end solutions often offer consulting services, upgrades and additional products are included in sales of products and or software.
- We realize these evolving models cause issues with revenue and we are able to assist our clients in addressing these issues and coming to a practical solution.

## **ISSUE: Equity Compensation**

### **Marcum Response**

- Many of our clients have a thinly staffed Management Team and team members have multiple responsibilities. To manage cash and provide upside technology companies have creative and complex equity and deferred compensation plans that can have unforeseen consequences. We can help identify and then minimize and unpleasant surprises.

## **ISSUE: Expand International Early**

### **Marcum Response**

- To respond to our clients on the ground needs internationally Marcum is a founder member of the Leading Edge Alliance with over 170 files in 100 countries. As regards to Marcum LLP itself, besides our US offices, Marcum has a joint venture called Marcum Bernstein and Pinchuk LLP, with Beijing, Guangzhou, Hangzhou and Hong Kong, with coordinated services throughout the world.
- These organizations allow us to provide audit, tax and advisory around the world in an integrated fashion.

## **ISSUE: Reliance on Intellectual Property**

### **Marcum Response**

- Besides our expertise in compensation issues Marcum has the capability to identify and value our clients IP. We also can assist in determining the carrying value and assessing impairment of intangible assets and goodwill.
- We have a litigation support team as well as internal investigatory experts including former members of law enforcement.

## **ISSUE: Mergers and Acquisitions**

### **Marcum Response**

- Many of our partners and staff have operating experience and have worked as controllers and CFOs besides a career in public accounting. Our experience gives us the ability to provide pragmatic feedback.
- Our service teams have due diligence across a wide range of issues and can help clients with issue identification early.
- We have valuation experts to assist with the identification and valuation of tangible and intangible assets and the purchase price allocation and the tax optimum structure.

## **ISSUE: Demand Superior Service**

### **Marcum Response**

- We are entrepreneurial like our clients and commit to fast and accurate turnaround on issues.
- We are as cost conscious as our clients are and strive to always reach a fair fee through candid and open discussions on issues.