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Family Workers ‘A Beautiful Thing’ at Tax & Financial Group



■ By PETER J. BRENNAN

Family goes a long way at **Tax & Financial Group**.

Sean McCloskey is CEO of the Newport Beach-based firm, which his father, **Dick McCloskey**, began in 1970.

They're not the only family represented in the company. At least five key tenured associates have children or siblings serving in important roles in the company, which has 100 employees at offices throughout Southern California as well as Hawaii, Colorado, Ohio and Texas.

"Lots of family members are involved in the business," Sean McCloskey said. "We may not all have the same name, but we're all a family."

"It's a beautiful thing."

Tax & Financial Group was one of five honored at the **Business Journal's** 23rd **Family-Owned Business Awards** held on June 2 at the **Irvine Marriott**. The financial services firm was honored in the Midsize Business category.

"Their motto is, 'today's vision, tomorrow's legacy.' They truly know what it means to have business succession plan-



Sean McCloskey
CEO
Tax & Financial Group

ning," **Timothy McElfish**, senior partner at **Ferruzzo & Ferruzzo LLP**, said of the firm when presenting the award.

Survival

When Dick McCloskey began the business, it initially focused on providing life and disability insurance to physicians and the professional community.

"I was thinking it's going to be easy," Dick McCloskey recalled. "It was survival mode. We got to make this thing work. My best attribute is perseverance. Sometimes it's good and sometimes it hurts you to not walk away from things you should."

In the 1980s, Dick McCloskey found a niche advising company owners on succession planning where there are plenty of what he calls "tax traps." He found little competition because he was "agnostic" about whether the owners should sell their companies as opposed to brokers who pushed for the sale, Dick McCloskey said.

"In our 10th year, we wanted to expand to the business market—that's really where the wealth is," Dick McCloskey said.

Sean McCloskey said the key to his father's survival was that "he wants to care for his clients like his own family and his own employees."

"Orange County is the family business capital of the world," Sean McCloskey said. "There are more small and medium businesses than anywhere else by far in the United States. That's who my clients are."

The company has collected many honors, such as the GAMA International Master Agency Award in 1986. Dick McCloskey in 2002 was inducted into GAMA International's Management Hall of Fame, which annually is presented to one individual who comprises outstanding leadership in the insurance and financial services industry. He was also inducted into the Securian Hall of Fame in 2013 to commemorate those who have made significant contributions to the success of **Securian Financial Services Inc.** since it was founded in 1880 as the first life insurance company in Minnesota.

Accounting Major

When Sean McCloskey attended the **University of Southern California**, he majored in accounting, not so much because of his father's company, but rather to gain an understanding of business.

"Even when I was an accounting major, I knew accounting was just the first step," he said. "When I went into accounting, I knew I wanted to be in business. I didn't know what

Tax & Financial Group



■ **FOUNDED:** 1970

■ **FOUNDER/CHAIRMAN:** Richard "Dick" McCloskey

■ **HEADQUARTERS:** Newport Beach

■ **BUSINESS:** advises owners of small and mid-sized businesses on business succession and exit planning

■ **NOTABLE:** Sean McCloskey and his wife, Shari, have two boys, an 18-year-old at UCLA and a 14-year old in high school. "It's too early to tell" if they will become accountants or join the family business, he says.

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part of business. It was a way of getting exposed to a lot of different businesses.”

Upon graduation, Sean McCloskey didn't immediately join his father's firm. He worked at **Ernst & Young** in Los Angeles before heading off to Wall Street where he spent about a decade as an investment banker at famous firms such as **Lehman Brothers**, **ING Barings** and **Smith Barney**. Sean McCloskey is a big believer that his background provided a wealth of experience that he uses in his current job.

“It was super exciting, very fun. I loved it,” Sean McCloskey said. “Just learning so much every day. A lot of that carries over.”

In 2004, Sean McCloskey and his wife, **Shari**, who at that time lived in New York City, decided to move to Orange County to

be closer to their families. He didn't immediately join his father's firm at that time either. Instead, he worked at **The Courtney Group**, a local investment bank.

“There was never any conversation about me joining the business,” Sean McCloskey recalled. “It was never encouraged or discouraged. I pursued my own path.”

Along the way, Sean McCloskey graduated with an MBA from the **Wharton School** at the **University of Pennsylvania**, earned a CPA license and has Series 7, Series 24 and Series 66 FINRA registrations.

Even though Sean McCloskey worked at white-shoe firms in private equity, his return to Orange County helped him get a better grasp of family-owned businesses. He began referring clients to his father's firm for

advice.

“I felt like I had one tool in the toolbox,” Sean McCloskey said. “I didn't have a way to help them with all their needs. I wanted to be able to help my clients.

“That's when I started to reach out to Tax and Financial Group because that's their strength. It really was initially the ideal partner to help me help business owners.”

He decided to officially work for his father's firm in 2008.

“It was very natural. There wasn't any convincing on either side,” he said. “Personally, it also gave me a lot of joy to work with my dad.”

“It's fabulous,” Dick McCloskey added. “Frankly, I get the opportunity to see him every day. How many people get to see their children every day?” ■

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GAMA International is a membership organization for which individuals must submit applications and payment. The organization is geared toward those in a recruiting, training, or supervision roles in the financial services industry. Awards are based primarily on the previous years commissions, premiums, or fees generated from investment and insurance products and other criteria relative to leadership, achievement, and recruiting selected by the applicant. Individuals must be current with membership dues and submit an application fee for consideration. Working with this individual is not a guarantee of future financial results. Investors should conduct their own evaluation.

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