

Member Spotlight: Dave Thompson

Let's work together: why the world came to San Diego



Inside Counsel & Summer Federal at Bloodgood

Dave Thompson combines his passion for logic and his innate skill with numbers to help small businesses and their owners increase profits, reduce tax liabilities and push through the opportunities and issues that strengthen businesses.

He excels at establishing a strong and personal relationship with domestic and international clients, and actively collaborates with them on business needs and issues. As an attentive and responsive advisor, Dave relates well to clients. He merges his private industry background with his public accounting knowledge to help clients' reach their financial goals.

Having grown up in San Diego, Dave is familiar with the area, people and culture. Prior to joining Hutchinson and Bloodgood LLP, Dave managed his own accounting practice. In addition, he previously held Controller/CFO positions within the construction and real estate industries, assisting those companies that helped shape San Diego. Dave was impressed with H&B and its focus on forward thinking. He joined the Firm in 2005.

Dave Thompson is hyper-focused on client service and an inveterate traveler. For Dave, working and travelling have never been mutually exclusive.

His desire to improve on what is and what was together with a vision of what can be has enabled him to create a hugely successful career, first in public accounting, then in private industry and finally returning home to public accounting as a partner with Hutchinson & Bloodgood, LLP helping to navigate the often-stormy seas of international tax with his clients, his network and his team.

Like many tax specialists, Dave has always been absorbed in numbers and problem solving. While studying Philosophy at UCSD and SDSU, he preferred the simplicity of working with numbers. He used the logic he learned in class to guide him to pursue a college degree in accounting.

"I always liked the challenge of working something out that had a mathematical aspect to it," he says. "And so, I decided on accounting because I was good at it and I thought it would give me a black and white structure as an anchor to balance my creative bend, desire to interact face to face with people, gird my plan to marry my high school sweetheart, soulmate and best friend, Kathy and raise a family."

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After graduating, Dave went into public accounting as an auditor, realizing early on that he preferred tax. "Like many accountants I started out in auditing. As an auditor you must figure out what you need to look at and what you want to discard. I preferred to look at everything. The whole story."

"Taxes gave me that framework; they were shorter projects, more contained. I like the challenge, finding the right solution for clients; dealing with tax codes, regulations, international treaties and tax laws that are not always consistent. At Hutchinson & Bloodgood, we strive to take the complex and make it simpler.

Ironically, it was after a confrontation with the president of a large construction company that Dave got his big break in private industry – giving him the career change he was looking for at the time. "I remember doing an audit for a big construction company here in San Diego," he recalls. "I was doing this study on one of the employee insurances, Worker's Compensation Insurance. My calculations revealed that the company had greatly over-accrued for it which led to a heated discussion with the president of the company. I told him, 'here are the numbers and here's how I arrived at my conclusion.' He started cussing at me, but I guess he never forgot it because later he reached out and asked me to work for the company as its controller. So, I did and I loved it."

After a decade or so working in the private sector and gaining invaluable experience – "I was such a rookie when I started out in private industry," he laughs – Kathy, now his wife, suggested he set up his own practice. After a bit of planning, he turned his front room into an office and set to work building a business, later building an office above the garage. His solo enterprise soon started to pick up decent clients and came to the attention of bigger practices such as Hutchinson & Bloodgood who he had been subleasing from. After a few meetings, Dave decided to merge his business with the firm working out of the San Diego office. It was the best decision of his life (apart from getting married to his childhood sweetheart, he grins).

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From day one, Dave knew he was joining an accountancy firm with a bright future and an illustrious legacy. Hutchinson & Bloodgood's first office was established in 1922 in Glendale, California and its client list in those early years – when the area was still better known for its citrus growers than financial advisors – boasted big names such as Walt Disney and others in the entertainment industry. Since then, the firm has grown significantly. "These days we have over 30 partners and more than 100 team members across four offices in California including Glendale, El Centro, Watsonville, San Diego and one in Tucson, Arizona."

As well as accounting and tax, Hutchinson & Bloodgood has evolved into a consultancy firm offering clients services as diverse as IT assurance, data protection, cost segregation and recruiting. The company also acts as a resource for other accountancy practices seeking specialisms they do not provide to their own clients. This includes successfully branching out into cross-border work – and it's a specialty in which Dave and the team are particularly adept.

"Yes, it's our international practice that has really grown here in San Diego over the past several years," he says. "We have clients throughout Europe, Asia-Pacific, the Middle East, Africa and South America as well as North America...a lot of clients. It keeps our entire team and I very busy."

"Over 50% of the work we do now is international. In our San Diego office, we are connected with chambers of commerce and other organizations across the world, helping people who want to work globally and get them connected to the right business partners."

With Hutchinson & Bloodgood's eclectic mix of services, clients tend to come from all sectors and growth stages: "All different types: small, medium, large. We have clients that are multi-million-dollar companies, high net-worth individuals; we service large manufacturing companies, technology as well as hospitality."

"One area of focus that we're known for is start-up work – where growth is measured more by expenditures not revenues. This is because many companies coming

to the US launch US subsidiaries of their organizations and others are creating companies as a way to come live in the US. Often-times they begin from scratch when they arrive."

Dave's international work involves unravelling the complexities of taxes that affect businesses and individuals that operate in multiple jurisdictions.

"It's like putting together a puzzle," he says. "You have to dig deep for the information in some jurisdictions. Often the tax regimes in our clients' countries of residence haven't figured out ways to understand the financial activities their residents are carrying out overseas. Clients may, at first, be reluctant to share information they feel does not pertain to U.S. operations."

He admits that the US can be incredibly confusing for many overseas clients and this often leads to a lot of hand holding: "We have 50 states, so if you're a company from the UK you're not just dealing with the federal tax, you're potentially dealing with the taxes of 50 states. Think about it for a moment. That's a lot to deal with compared to other countries. In addition, it can involve income tax, sales tax, payroll tax, gift tax, estate tax and excise tax. It can get very confusing for the newly arrived." Our multi-state team works with our clients on planning and strategy in this area."

It's also why Hutchinson & Bloodgood has a more collaborative approach with clients. No unilateral decisions are made on their clients' behalf; the emphasis is on collaboration and engagement for more informed decision making.

"We like to engage with clients, it really helps that we have that collaborative angle. We often say we don't have all the answers and we don't. What we do have are good questions. Through collaboration and active listening, we identify as many valid choices and options as possible, narrowing them down to what's best. Through this process we expect to deliver our clients better answers and fewer surprises.

Dave also focuses on developing relationships with other trusted advisors in the different jurisdictions. It's why he joined the IR Global network, which has provided Hutchinson & Bloodgood an opportunity to create added value to his network.

"It's really important to me to build up a trusted advisors network. Over the last several years I've been able to focus on that. With our drive for doing international

business, it's critical we have trusted advisors across the world, in as many jurisdictions as is necessary, for servicing clients. So often, it's another trusted advisor a client needs, not me. Through a network built on attracting top technical advisors and founded under a principle of 'know, like, trust' it's super easy to make strong connections.

Recently, Dave became partner emeritus, an honor bestowed by Hutchinson & Bloodgood on partners with a distinguished career. With this new position, Dave is eager to continue helping his younger colleagues grow into their roles and embrace the opportunities that the firm affords them – it's a tradition that goes back the days of Walt Disney. This will enable Dave to step back from day-to-day activities and do more consultancy work with his international clients – and hopefully more from the road, with laptop, using Zoom and Teams as his virtual meeting tool.

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Hutchinson & Bloodgood's technological capability was another strength that drew Dave to the firm. Indeed, he believes technology is critical for the firm's success going forward: "I guess if there's been any benefit from the pandemic it's that people are now more comfortable using technology to connect. I can see clients, sometimes for the first time, because they're using Zoom rather than the phone. Face-to-face meetings with clients are very important in our business. I believe it's easier to build trust. Because many of our clients are around the world, I'd never seen them. Now I can."

It's that personalized client approach that drives Dave and it's an approach that is behind the philosophy of Hutchinson & Bloodgood: "Again, joining Hutchinson & Bloodgood is the best decision I ever made from more than a business standpoint. It's given me the opportunity to grow; it's a company that's big on growth – that's personal professional and financial growth – our growth and our clients' growth. If you work hard it takes you to places you never thought you'd go, and it always comes back to people. It's not about me. It's what's best for all of us, those I interact with – clients, network and team.

Dave Thompson

IR Global's exclusive Tax (Accountants) member in the US - California

www.hbillp.com | dthompson@hbillp.com | +1 (619) 849-6501

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We deliver accounting and consulting services that maximize your wealth and position your business for growth.

We believe that our team's diversity is at the core of our success and a key element that allows us to provide the most innovative services in the world.

