



Famous Person PROfiles

North America

James Hart

Famous Person of the Month

WHO: James L. Hart, CPA/ABV/CFF, CBA, Managing Partner and director of Forensic Accounting and Valuation Services for Dent, Baker & Company LLP (Birmingham).

ONWARD AND UPWARD: In addition to his duties at Dent Baker, Hart assumes a new role this year. Gov. Bob Riley appointed him to a four-year term on the Alabama Securities Commission. "Next to a presidential appointment to the SEC, this is as good as it gets for a CPA in Alabama," Jim says. The appointment is subject to state Senate confirmation.



LEADERSHIP IN PKF NA: Currently on the Nominating Committee, Jim also has served several terms as Board member, Chairman of the Firm Management and A&A Standards Committees.

WHAT MAKES JIM FAMOUS: As with many specialists, Jim fell into litigation support by accident. At the age of 24, having just earned his CPA certificate (winning the Gold Medal for highest score in the state), Jim was tapped as "special master" on a securities case that dealt with SEC enforcement. (The special master is a nonpartisan party appointed by a judge.) The case, which ended up recovering money for more than 1,000 stockholders, made the front pages and earned Jim the respect of some of the state's top lawyers.

His next case put him on the map statewide. The case involved the son of a famous football coach. The son built a gambling operation with the help of 11 minority owners, and when he built a second operation on his own, the minority owners of the first operation sued. Throughout the course of three trials lasting nine years, Jim helped the plaintiffs establish two new torts. The first tort said that a corporate opportunity represents an asset belonging to the corporation. "We proved that the son used the corporation to secure the second opportunity."

But even after proving that the opportunity belonged to the corporation, the son still owned 51% of the corporation and therefore controlled the money. That's where the second new tort, which says that a majority owner cannot "squeeze out" or oppress minority owners, came into play. The defendant ended up paying \$200 million because he locked the minority shareholders out of the corporate retreat. The end result: "People now have a model of what to do in Alabama when a corporation mistreats its stockholders."

BENEFITS OF ASSOCIATION: Jim joined Dent Baker in 1973, just a few years after the firm joined Associated Regional Accounting Firms (ARAF), PKF NA's predecessor.

"I'm the third generation of leadership at our firm. ARAF and PKF International have always been a big part of our culture and what we do," Jim says. "I can't always put my finger on why, but there's no doubt we're a better firm because of our affiliation with it."

WORDS OF WISDOM: "Litigation is not for the faint of heart. Accountants are not combative by nature, but when people throw rocks, you're not going to win throwing back marshmallows."

ON THE PERSONAL SIDE: Jim and his wife Dianna enjoy relaxing at their lake house. "Any day on the water is a good day," he says. The Harts have four adult children, three of whom graduated from Auburn and one of whom is still there.