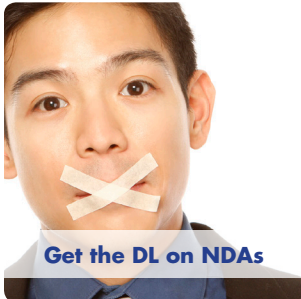




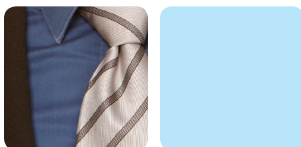
MAY 2013

# ADS Florida BuyLine

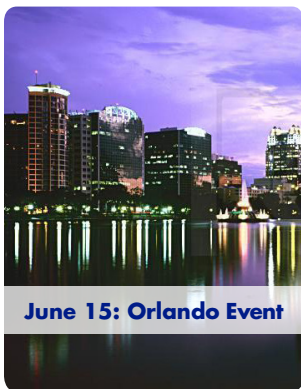
OPPORTUNITIES FOR DENTAL PRACTICE BUYERS & ASSOCIATES



Get the DL on NDAs



Q&A: Practice Appraisals



June 15: Orlando Event

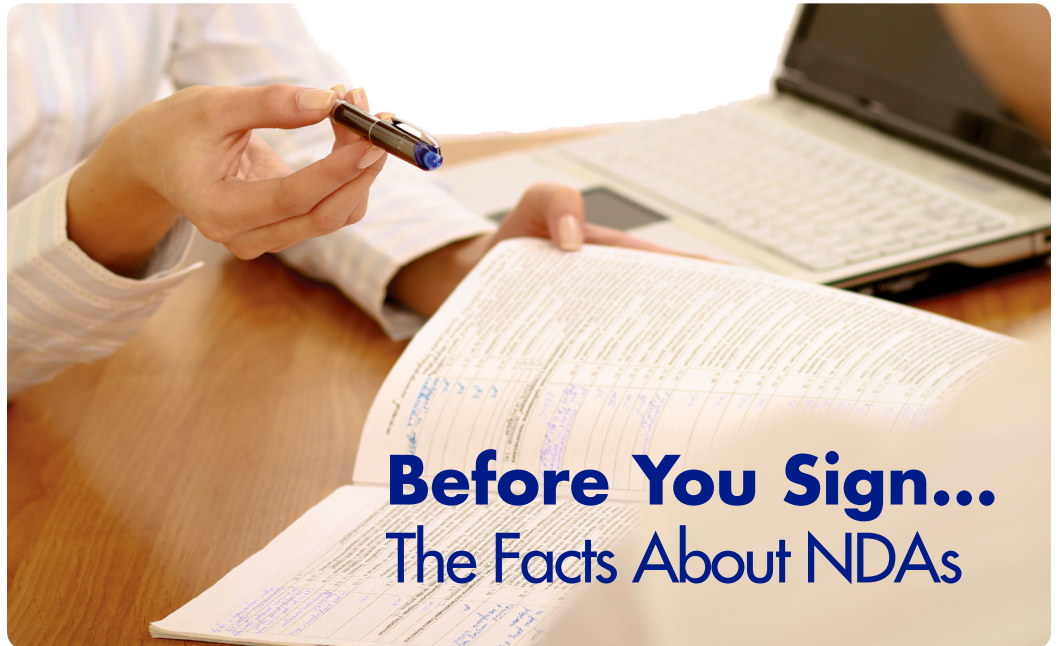
ADS Florida  
*Congratulates*

Dearl Duncan, DDS to  
Richard Wilcox, DDS  
Bradenton

Jessica Fernandez, DDS to  
Manfred Buechele, DMD  
Clermont

John Nelson, DDS to  
Peter Kelly, DDS  
Winter Park

Robert Pellarin, DDS to  
Jennifer Ortega, DMD  
Winter Park



## Before You Sign... The Facts About NDAs

In the past, we have brought to your attention some concerns and questions about Non-Disclosure Agreements (NDA), also known as Confidentiality Agreements (<http://articles.ADSflorida.com> and search "Confidentially Speaking"). We have brought to light that some transition companies use the NDA document to establish an exclusive relationship or put unethical conditions on a purchaser before allowing them to learn more about practice opportunities. It is important for you as a purchaser or buy-in candidate to understand a few things:

### Confidentiality/Non-Disclosure Agreements are valid legal documents

NDAs are designed by attorneys and meant to protect sensitive financial and private business information of practice owners and sellers. It is normally required that you sign the NDA prior to reviewing practice-related documents and information in connection with a practice purchase, association, or partnership. The agreement you sign is a valid legal document. You should read it closely and understand all it entails and requires of you. If something seems to be out of the ordinary, be sure to ask about it. By signing the document, you should be agreeing that you will keep all information related to the inquiry (sensitive or not) confidential. This is reasonable. You should not be signing to anything else.

### Look out for You: You are entitled to representation

Unless you're hiring someone to specifically represent you, you must look out for yourself. While our entire team at ADS Florida takes pride in creating fair transactions with fair documentation, not all "transition specialists" operate the same way, so you must protect your interests. Look closely at all provided financial statements and documentation. Are you provided with complete financial statements and tax returns; a clean, reasonable pro forma (not projection) and a full set of statistics on the practice and how it runs? Please note that some NDAs also seek to limit your access to representation. You should never be required to relinquish your ability to engage competent advisors. While this may come at a cost to you, proper advice or representation can be invaluable.

### Not all "specialists," "experts" or "brokers" are alike

And this matters to you. Quality transition specialists and experts represent quality transition opportunities. Not only is the practice documentation clear, but it is consistent and professional. Further, documentation should be provided in a timely manner and be complete. True specialists will have collected and reviewed documentation up front to establish price or value, well before a practice is available for sale on the market. They are comprehensive and thorough and do not compromise their work or integrity.

We invite you to read and review our confidentiality agreement at any time on our website under the "Forms" section at <http://www.ADSflorida.com/forms>. We feel it is a clear, straightforward document, specifically intended to protect the disclosure of private information. If you are interested in representation for or review of any practice you are currently considering to purchase or buy in to, please do not hesitate to contact us at 800.262.4119 or [transition@ADSflorida.com](mailto:transition@ADSflorida.com).



## Beyond Dollars & Cents: Think about the Team



All successful dental practices need consistent new patient flow as well as patient loyalty. However, one of the most significant contributors to the most successful practices is a dentist's ability to lead and manage a great team. Although some of us may want to believe that it requires luck to achieve a stable and dedicated team, successful dentists understand that leadership is developed and are willing to devote the time and energy to learn management and leadership skills. We always see prosperous dentists willing to spend time working "on" as well as "in" their practices. Using this mindset, practices can have team members who stay with the practice for many years, becoming part of the practice legacy along with the dentist.

### **Be considerate of "legacy" team members**

When an established practice is ready to be transitioned, the working relationship that has developed between a long-term "legacy" team member and the selling doctor can present an obstacle if not carefully managed in advance. One major factor in the transfer of patient loyalty (goodwill) from the selling doctor to the new dentist is the relationship the team has with the patients, which partially originates from the team member's loyalty to the selling doctor. In some cases, the selling doctor is the only dentist that individual has ever worked for, and over time, the dentist's practice philosophy and work style become as much of a part of the "legacy" employee's philosophy and work style as that of the doctor themselves. Additionally, the manner in which the doctor, as an employer, interacts with a long-standing team member develops from years of knowing and trusting that individual, and the confidence of consistently being able to rely on them.

Working in a close physical environment, in a profession that has its share of stress, contributes even further to a bond between the doctor and the long-term team member. Therefore, the transition to a new doctor can be a significant life event for these team members.

### **Ensure goodwill with open communication**

The teams' role in the sale of a practice is a major factor that can significantly influence the goodwill of the transition. When patients perceive that the team is in full support of the new doctor, the transfer of the patients' trust and retention in the practice is preserved. Once the selling doctor is no longer present, patients will rely on their long-term relationship with the "legacy" team members for guidance. However, it is impossible to expect that the new dentist will instantly have the same support and loyalty of the team, which was developed over years with the retiring doctor.

With this in mind, both the buyer and seller have a responsibility in the successful transition of the staff, as part of the overall transition. The selling dentist has a responsibility to assist the new doctor in

transferring patient loyalty, and therefore, the goodwill that the new dentist has purchased. Considerable time and effort should be spent communicating to the team how significant their role is in the transition. Once the team is aware of the pending transition, the seller must plan for the team to have ample time to meet the new doctor prior to the first day of becoming that doctor's employee. The selling doctor must give "legacy" team members an opportunity to express their concerns and anxieties regarding the change that they may perceive as something that can greatly disrupt their comfortable routines. The seller should help prepare the new doctor regarding the inevitable concerns the team will have, the most common of which are the status of their job and compensation. Also, for some long-term team members, there will be concerns over matters regarding privileges that they have come to rely on, such as leaving at a certain time on a particular day, having a certain week each year off, or some other individual perk that the seller has allowed.

### **Don't wait: Early communication is key**

The new dentist has the responsibility to enter into the practice with a planned strategy to address the uncertainties and anxieties the team will have. This is not a time for a "wait and see" approach. The new dentist must plan, prior to taking over the practice, to be immediately prepared to communicate with each team member. Giving them an opportunity to express their concerns to you, as well as communicating your goals and expectations to them, from the start, will be paramount in their transition and your success. Be careful not to make promises that you have not thoroughly evaluated as ones you can keep. You will gain trust and respect if you are honest about being unsure of an issue, and respond by letting them know you that will evaluate and address it. Of course, you must follow through in a timely manner or your credibility will systematically erode with time. An updated office manual (employee handbook), should be one of the first tasks you undertake as the new leader. Since this will set an objective standard by which to communicate from the get go, strong consideration should be given to employing a human resources professional to accomplish this task. The importance of this cannot be understated.

There are many considerations for both the buyer and seller during a dental practice transition. Preparing for your transition is the key to success and you should not attempt to take it on alone. Plan to join us to learn more about transition planning at our upcoming seminar on June 15 at the Florida National Dental Convention. Register online at <http://FNDC.ADSflorida.com> and find out more about other seminars throughout the year at <http://seminar.ADSflorida.com>.

# General and Specialty Practice Purchase Opportunities

## CENTRAL FLORIDA

Contact: Paul Rang, DMD, JD

		Gross	Buyer Net*
Clermont	6 ops FFS/PPO Dig X-Ray + Pano		SOLD
Daytona Beach	4 ops FFS/PPO Dig X-Ray + Pano	\$1.1M	\$419K
Levy County	7 ops 3 days/wk	\$362K	\$145K
Ocala	5 ops FFS Dig X-Ray + Pano	\$1M	\$294K
Orlando	3+3 ops FFS/PPO Pano	\$390K	\$160K
Orlando	2 locations w/ 3 ops FFS	\$525K	\$170K
North Orlando	3 ops FFS Pano	\$549K	\$192K
Winter Park	4+1 ops FFS/PPO		SOLD
Winter Park	5 ops FFS Pano, Dig X-Ray		SOLD
Winter Park	3+1 ops Pano	\$441K	\$204K

### Specialty Practices

Central FL	Prosth 5 ops FFS Pano	\$798K	\$235K
Central FL	Endo 5 ops	\$587K	\$312K
Central FL	Endo 2 locations w/ 3 ops	\$505K	\$193K
Central FL	Pedo 5 ops Pano-Ceph	\$503K	\$143K
Central FL	Pedo 5 ops, Pano, Dig X-Ray	\$1.27M	\$492K
Central FL	Ortho 5 ops Pan-Ceph RE avail		Ask \$95K

### Practice Ready Facilities

Ormond Beach	2,000 sf condo, 5 ops, specialty prac		Ask \$307K
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## SOUTHEAST FLORIDA

Contact: Stuart M. Auerbach, DDS

		Gross	Buyer Net*
Coral Springs	5 ops FFS/PPO Dig X-Ray and Plan	Ask \$150K	
Delray Beach	4 ops FFS/PPO with condo	Ask \$250K	
Ft. Lauderdale	2+1 ops FFS	Ask \$125K	
Lauderhill	5 ops PPO/FFS/HMO	\$411K	\$91K
Miami Gardens	3 ops PPO/HMO	\$445K	\$97K
North Miami	4 ops PPO/FFS	\$470K	\$125K
Pembroke Pines	6 ops FFS/PPO w/ 1,800 sf condo	Ask \$600K	

### Specialty Practices

Miami	2 Orthodontic ops busy shopping ctr	Ask \$65K	
W. Broward County	Oral Surgery: Dental alveolar/implant	FOR SALE	
W. Broward County	Perio, 5+1 ops, 2,500 sf condo	Ask \$550K	

### Practice Ready Facilities

Ft. Lauderdale	4 ops fully equipped, newly renovated	Ask \$60K	
Miami Beach	2 ops fully equipped w/ Pan	Ask \$50K	
Port St. Lucie	2+2 ops D X-Ray 1250 sf, Pelton Crane	Ask \$200K	
Pompano Beach	1,800 sf building, 6 ops, plumbed lab	Ask \$350K	

## NORTH FLORIDA

Contact: Paul Rang, DMD, JD

		Gross	Buyer Net*
Pensacola	3 ops FFS/PPO Dig X-Ray, Pano, RE		Reduced to \$225K

### Specialty Practices

NE Florida	Pediatric: 7ops, Real Estate Avail	\$1.25M	\$486K
NE Florida	Ortho 5+1 ops, 3 days/wk		
NE Florida	Endo 3 ops Dig X-Ray microscopes	\$703K	\$263K
NW Florida	Endo 3 ops Dig X-Ray microscopes, RE avail	\$648K	\$330K
NW Florida	Perio 5 ops FFS/PPO Dig X-Ray		Ask \$475K

## SOUTHWEST FLORIDA

Contact: Greg Auerbach, MBA or Philip LoGrippe, DMD

		Gross	Buyer Net*
Cape Coral	7+1 ops, 95% FFS, Ideal Location	\$1.06M	\$419K
Fort Myers	5ops FFS Well Established Practice		UNDER CONTRACT
Fort Myers	3ops FFS/PPO Long Standing Practice	\$460K	\$137K
Naples	4ops FFS Great Location		UNDER CONTRACT
Sanibel Island	2 ops, Expandable, FFS, 3 days/wk	\$461K	\$174K

### Specialty Practices

Punta Gorda/Port Charlotte	Orthodontic	\$350K	\$50K
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### Associateship

Naples	Endodontic Practice		
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## WEST FLORIDA

Contact: Greg Auerbach, MBA

		Gross	Buyer Net*
Anna Maria Island	5 ops FFS Dig X-Ray, Cerec & Laser	\$650K	\$196K
Bradenton	5+1 ops FFS/PPO		SOLD
Riverview	6 ops Digital Pan Paperless		UNDER CONTRACT
Sarasota	5 ops FFS Digital X-Ray Cerec		UNDER CONTRACT
Sarasota (South)	4 ops FFS Only C&B/Rest Ready to Grow	Ask \$160K	
Sarasota	6 ops FFS/PPO Dig X-Ray Major Rd RE		UNDER CONTRACT
Tampa	6 ops FFS/PPO Pan Ready to Grow	\$435K	\$75K
Tampa (Northeast)	5 ops FFS/PPO/Cap Paperless	\$785K	\$300K
Tampa (Northeast)	5 ops FFS Major Road	\$590K	\$160K

### Practice for Merger

Sarasota (South)	FFS Patients C&B - Dr. Avail for Transition	Gross \$279K	
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### Specialty Practices

Punta Gorda/Port Charlotte	Orthodontic	\$350K	\$50K
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\*Buyer net includes the debt service on 100% financing of the asking price



For the most recently updated listings, visit [listings.ADSflorida.com](http://listings.ADSflorida.com)



### How do you appraise a practice?

We utilize four different methods and generate documentation consistent with USPAP (Uniform Standards of Professional Appraisal Practice) standards. All values generated by the multiple methods we use are weighed and considered in order to determine fair market value.

## What Our Clients Say

"There are really not enough ways to thank you for working so hard to get Harold and I through this process. You were honest with me from the first day and I would not hesitate to pass your name on to any of the young dentists that are out looking for practices."

- Joseph Richardson, DMD

## Meet the ADS Florida Team



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Mid to North Central East Coast  
**Skip Stamper**

386.547.2552 | [skip@ADSflorida.com](mailto:skip@ADSflorida.com)

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