

# To Purchase Or To Build...

*That was the question for Dr. Mark Dill*

Many young or relocating doctors try to decide whether to purchase or build their own practice. Depending on the location and opportunity, both decisions have their benefits and drawbacks. In this office highlight, we are featuring Dr. Mark Dill of Chattanooga, TN. We asked Dr. Dill to share with us his decision making process and his advice for someone who decides to follow the path he chose in starting his own practice. Dr. Dill worked with Danny Adams of our NDI Chattanooga Office during the process.



From Left to Right: Danny Adams (NDI Account Representative), Brittany Moon, Assistant, Leslie Lamb, Hygienist, Amy Grant, Assistant, Dr. Mark Dill (not pictured Abby Shipley, Front Office Administrator)

**Q** What was the catalyst that helped you make your decision to start-up your own practice, rather than purchase an existing practice?

**A** **Dr. Dill:** After working with Danny Adams, my account representative from Nashville Dental, to review and discuss all my options and the available practices for sale in the Chattanooga area, I determined it would be best for me to open my own practice, rather than purchasing an existing practice. I came to the following conclusion, "If you purchase a practice, you don't always know what you are getting until several months after the sale. By opening a practice, I would at least be starting fresh and in control of the process of building my own practice."

**Q** Obviously, finding a good location was a major factor in your decision. How did you go about choosing your current location?

**A** **Dr. Dill:** For this information, I totally relied on Danny and his Nashville Dental associates for advice. I knew that Danny and the other NDI account reps call on hundreds of dentists within an urban area. Seasoned account reps know which offices are busy and the demographics of the areas where they are located. Sales representatives are very aware of areas that may have become oversaturated with dentists, as well as other developing areas that are currently underserved. I feel fortunate that Danny was able to direct me to a good location with excellent future growth potential.

**Q** During our interview, you mentioned that new patients have two perceptions of a new dentist. Will you please expound on these two perceptions and how you worked to turn them into a positive for your new practice?

**A** **Dr. Dill:** When starting my practice, I realized that dental patients would look at me or any other young dentist in two ways.

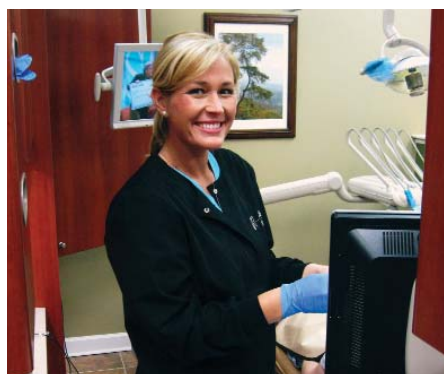
First, patients will naturally perceive a new dentist to be inexperienced. To overcome this perception, I believe it's absolutely necessary for all young dentists to hire an experienced dental

staff. Yes, you have to pay experienced assistants more money, but in return they will easily repay your investment with their experience by making you look experienced.

Second, patients will expect a young dentist to have a new modern looking, hi-tech dental office. I knew I had to make the necessary investments in digital x-ray, intraoral cameras, computer monitors and new dental equipment for my operatories. Naturally, like most young dentists, I had a limited budget with which to work. Danny strongly advised me to invest my limited finances in areas that will make the greatest immediate impact (return on investment). Lasers/Digital Impressioning/CAD CAM would be other hi-tech items that I believe will eventually benefit my practice, but they are not included in my current budget.

**Q** When discussing your current case load, you referred to practicing "meat and potatoes" dentistry. Please explain what you mean by this.

**A** **Dr. Dill:** At this point of my career, I'm practicing what I refer to as "meat and potatoes" dentistry. Yes, I would like to be doing implants and other high-end cosmetic procedures. But, I performed the math and I quickly realized that maybe only 10% of my current patients actually need implants. Of those numbers, maybe only 5% can afford to pay for implants. With my limited patient base, I just cannot afford investing in technologies that



The experience of Dr. Dill's staff has been a tremendous asset in helping to establish his practice. Pictured above is Leslie Lamb, Dr. Dill's Hygienist.

will not provide a quick return on investment. So my core investments went to items that help me to do "meat and potatoes" more efficiently and effectively.

**Q** How did you decide on which equipment to add to your new practice?

**A** **Dr. Dill:** Again, Danny Adams was instrumental in helping me choose the equipment in which I needed to invest. Actually, Danny did something I would have never expected from a sales rep. He actually held me back from purchasing equipment he knew I would not utilize immediately. Danny advised me to invest in the best, quality equipment in highly utilized/visible areas of my practice. Handpieces, for instance, would be a piece of equipment I would be using on almost every patient. Therefore, I was advised to invest in the best handpieces available. Also, every patient would be sitting in a dental chair, so again I followed the same advice. However, in other less used/visible areas, Danny would suggest a good reliable piece of equipment that fit my existing budget. He offered a broad selection of brands to choose from to fit my personal needs.



Danny advised me to open my practice by outfitting only two operatories and pre-plumb and wire for a third operatory. Equipment for the third operatory could be purchased and installed after I began generating revenues and could cover the monthly installment payments. Just recently, the installation of my third operatory was completed - exactly one year after opening my practice.

**Q** I'm sure you faced many of the same questions when determining what merchandise (supplies) would be needed to begin your practice?

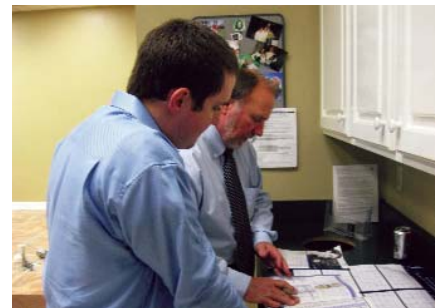
**A** **Dr. Dill:** Nashville Dental was very helpful in helping me determine that I had enough initial supplies to last me 2-3 months, but they did not load me up with inventory that would last an entire year. In checking, I found that this was a problem experienced by some of my friends when they set up their practices. I did not make the same mistake. With Nashville Dental's advice, I wanted enough materials on hand to be able to successfully treat my patients, but not be overstocked. I did not want to get into a procedure with a new patient and realize I did not have what was needed to complete the procedure. But, excess inventory is unproductive cash sitting idly on my shelf. Plus, Danny told me I could expect my supply orders from Nashville Dental the next day. It's smart business for me to rely on Nashville Dental to perform the warehouse function for my practice.

**Q** Did you encounter any surprises during the entire process of starting your practice?

**A** **Dr. Dill:** I realized that even with the best-laid plans, there are still going to be unexpected "glitches" during the construction/installation phase of an office set-up. I give the Nashville Dental Chattanooga service team "kudos" for handling the installation of my practice so professionally. Even though they encountered a few "snafus", I never did worry. I was absolutely confident that Nashville Dental would correct any problem that arose. Also, I really liked the fact that Nashville Dental's price quote was all-inclusive. The price I was quoted on my signed purchase order (included shipping and installation) was the final price I was charged. There were no additional surprise charges at the end.

**Q** Any advice you would like to share with other dentists who are currently contemplating opening their own practice?

**A** **Dr. Dill:** Unfortunately, there are no current good books on how to set-up a new dental practice that would give me the guidance Danny did. I would advise any new dentist to closely partner with a good dental supply sales representative you can trust. "Make sure you are working with a representative that has your best interest at heart, and not their own." The sales representative you choose will become your biggest cheerleader. "Definitely, there will be times that you will need reassurance that you are making the right decision in opening a new practice." Your sales representative has every reason to invest in you, because their goal is to have you become one of their loyal clients for the life of your practice.



Last of all, don't be shy about asking questions to other dentists who have recently opened a new dental practice. They may provide you with an important piece of information you had not considered.

**Dr. Mark Dill Suggestions:**

- Find a good local dental supply representative you can completely trust (ask other dentists)
- Hire a quality, experienced staff
- Invest in good dental equipment that will reflect positively on you
- Choose a good, developing practice location
- Don't overstock on supplies when starting your practice
- Ask a lot of questions, especially with colleagues who have recently established a new practice

NDI Planning & Design along with your Nashville Dental Account Representative would be glad to discuss options for your practice and help you find the best solutions to achieve your personal long term goals. For more information, please contact us at 800.251.2196 or on the web site listed below.