



Ask the Broker

Sad to say Corporate Dentistry is here to stay!

Last week at the CDA convention, I was part of a panel of experts discussing The New Economics of Dentistry. Part of the discussion focused on what affects dentistry today and the growing influence of Corporate Dentistry. In full disclosure, I started my dental career in corporate dentistry. (That particular company closed its doors in 1989.) It was a great experience for me as I was exposed to more dentistry in those two years than any of my classmates who worked at traditional positions. That was 1983. I believe that almost everyone in my graduating class dreamed of owning their own practice. ***The attorney on the panel last week stated that a recent survey in a Southern California dental school revealed that nearly 80% of that particular class did NOT want to own their own practice!*** Why and how can that be?

- 1. There is a generational difference.** The new graduates are happy just “working for the man” and getting their paid holidays. They value their time off and do not dream of creating their “empire”.
- 2. My class was less than 10% female. Now the classes are over 50% female.** Most of the buyers I deal with now are female and are extremely capable. However, there seems to be a higher percentage of female dentists who desire to work part-time for family reasons as compared to their male counterparts.
- 3. The debt load of the current graduates is more than \$300,000 compared to only \$30,000 when I graduated.** The new graduate is concerned about taking on additional debt with a practice start-up or a purchase.

When I graduated, the biggest problem for Corporate Dentistry was the revolving door of dentists who would come to work for a few years and then leave to pursue and establish their own practices. For the three reasons above, this is no longer an issue. Many of the corporate players are offering different financial packages and continuing education opportunities. They are finding ways to reduce the staff and doctor turnover that plagued the industry in the past. Corporate Dentistry will continue to grow over the next several years, but I believe that their growth will be limited. I will explain why in next month’s article... to be continued... stay tuned...

Questions? E-mail wps@succeed.net



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