

dental partners

A man with short brown hair and a thoughtful expression, resting his chin on his hand. He is wearing a light-colored, patterned shirt. The background is a solid blue color with a large, faint circular graphic on the left side.

**18 months on
our update!**

The first eighteen months

By Amos Lang

The past eighteen months has certainly been a chaotic time for the world. We have seen the biggest financial shake up since the great depression of the 1930's. American institutions such as Lehman Brothers have gone into bankruptcy. In the UK the government has nationalised their failing banks. Property prices in the US have gone into freefall. The world is divided over climate change and emissions trading schemes. We have our first African American president, winner of the Noble Peace Prize and still, more troops are being deployed to the Middle East.

INTERVIEW WITH MIKE TIMONEY

BY AMOS LANG

WHILST ALL AROUND APPEARS TO BE IN TURMOIL, A SMALL GROUP OF COMMITTED PEOPLE HAVE BEEN CHANGING THE FACE OF AUSTRALIAN DENTISTRY FORGING A NEW BUSINESS PARADIGM FOR DENTISTS TO CONSIDER. AFTER JUST 18 MONTHS OF OPERATIONS, DENTAL PARTNERS HAS GROWN INTO A MAJOR FORCE WITHIN THE AUSTRALIAN DENTAL LANDSCAPE SO WE THOUGHT WE WOULD CATCH UP WITH ONE OF THE FOUNDERS AND CEO MIKE TIMONEY TO ASK HIM THE POINTED QUESTIONS THAT EVERYONE WANTS TO KNOW.

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AD. Hi Mike, thanks for your time. I am going to jump straight in here, why do you think the current round of corporatisation we are seeing in dentistry is going to work, when we have seen similar models, (such as ABC Learning) collapse and average to poor results for consolidators in the veterinary, accountancy and even the dental laboratory fields?

MT. A good first question. First of all, I can't speak on behalf of the other dental groups that are emerging. All the groups differ substantially when it comes to their approach, target market, stakeholders but most importantly their personal approach.

What I can comment on is what we are achieving at Dental Partners and why we believe we are succeeding. Success at Dental Partners is only partly measured by profit, but on that front I can state that in our first financial year we posted a very healthy net profit. This is testimony to the structure we have chosen and also quite remarkable for any business in its infancy.

AD. I have met a lot of dentists and the ones I know all have a good income and standard of living, so why would someone consider joining your group?

MT. The likelihood is that if they were not already making a good living we would not be looking for them to join the group. However joining Dental Partners does have a financial advantage, as the incoming doctor is releasing the equity trapped within their business today. This means they are not waiting until the end of their career to access these funds and this in itself can be life changing. Paying off the mortgage, being debt free and having money to put into other investments are all incentives to join the group now.

However, there is a lot more to joining Dental Partners than just the financial model. We also see it as a lifestyle choice. Running your own practice can be a lonely affair and becoming part of Dental Partners gives you the chance to keep running your practice but also be part of a bigger group and the benefits that brings.





AD. Ok, on that point, what are the other benefits to a dentist?

MT. It's a matter of support when you need it and a feeling of belonging. The dentists within Dental Partners have the freedom to run their practices in the way they wish, however we have a highly committed and skilled group of people at our head office able to jump in and help when required. In business terms a dental practice is a classic 'Small Business' and the business owner is trying to be 'everything – Marketing Guru; HR Manager; Purchasing Officer; Staff Recruiter; and of course, in amongst it all, a full time clinician.

There is a reason why in larger companies each of these roles has dedicated departments; i.e. they all take very different skill sets. Many dentists I have met feel overwhelmed by the number of activities they have to do in addition to dentistry and this is where Dental Partners can truly support dentists. This can add to the efficiency of the practice and reduce work load and stress for the dentist.

AD. When I originally spoke to you about Dental Partners a couple of years ago, it was very much your intention to list on the ASX, are you still planning to go down that route and if so, what is your time frame?

MT. Well, the world has somewhat changed since my co-founders and I came up with the concept of Dental Partners. You are totally right, the original business model was to raise some of the capital we needed to get Dental

Partners off the ground via the stock market. It was only a few months after we started the process of creating Dental Partners that the economic crises struck and it became obvious that the timing was not right for a public listing. As has been previously reported we raised the capital we needed by entering into a joint venture agreement with a New Zealand healthcare group Abano.

Given Abano's involvement, there is no urgency for us to do any external fundraising. This allows us to concentrate on building the business and our internal support mechanics. So I suppose just 'watch this space'!

AD. Do you think at some stage you will re-brand all the practices within the group to a single public brand?

MT. With every acquisition of a new practice we acquire a new brand to support and expand. It makes a great deal of sense that over time we establish common public branding for the group where it is appropriate to do so. However, there is a huge amount of goodwill attached to the individual practices within the group and it would be counter-productive to erode this in anyway by introducing new branding. So to try and answer your question succinctly it will be a matter of 'evolution not revolution'. Finally, on this point, any changes to individual practices in this regard will only happen if it's deemed it will be for the betterment of the individual practice and by mutual consent with the practice principal.

AD. You have achieved a great deal in your first eighteen months, what do you think your biggest milestones are for the group to date?

MT. Eighteen months is not a period of time that you can start getting nostalgic about, but I do think that acknowledging and celebrating achievements is a very healthy activity for any business. As much as getting the business off the ground, attracting Abano to invest and all the individual practices we have partnered with are all major achievements. For me our two biggest milestones to date are the two events we have held.

The first event was a practice manager's conference, the first of its kind in Australia, followed by a conference for all the dentists within the group. Both events were major successes and have really helped shape the group going forward. These events and our day to day communications with the practices are really the spirit of the group. I am determined to make Dental Partners a highly human experience for all involved and it was heart warming to see the interaction between everyone at these conferences. We are committed to holding these events every year from now on.

AD. So what's next for Dental Partners?

MT. Now that we have established the business and we have fully developed our business model, the job now is to both manage and grow the group. We are still looking for successful practices to join the group and I would be delighted to talk to any of your readers should they wish to know more about how Dental Partners can work for them. It is also the time to achieve economies of scale and this has already started to happen. More buying power means a lower cost for each practice and this can really help with achieving profitability. We are opening our first "greenfield" site very soon and we are in effect expanding the brand of an existing practice already within the group to do this, so this will be another first for us.

My sincere wish for the next phase of Dental Partners is to keep expanding and remain profitable but not lose any of the family feeling we have created. I thoroughly enjoy my job and my relationships with the doctors within the group and I am planning on keeping it that way.





AD. So what about you Mike, what do you do when you are not doing Dental Partners?

MT. I see and read a lot of rhetoric about how today's communication systems have made us so accessible that we are in effect working every waking hour. Because I love what I do, I don't really see it this way. For me, if I receive a phone call from a dentist within the group on a Sunday, then it's like a friend calling. If anything it can add to my day not detract from it. Equally, I make sure I use technology to allow me to free up time to pursue my other interests in life.

Being a father of four boys means there is never a dull moment in our house and luckily we all enjoy being outside and enjoying the best Australia has to offer us. My wife and I live near the water and a little luxury we have is our speed boat and jet skis. Weekends are spent having picnics on remote beaches and generally messing around on water, we love it. Our other passion as a family is getting away and a recent discovery is the joys of driving holidays; we have driven around the top end and recently took a week to discover the beaches of Western Australia.

It's an over used cliché but it really is a matter of balance and most of the time I think I get it right, but if you ask my wife you may get a different perspective!

AD. Well thanks for your time Mike, I am sure my readers will enjoy having a deeper insight of what is becoming the largest shift in dentistry for a long time, and all the best.

MT. My pleasure.



FOR MORE INFORMATION REGARDING DENTAL PARTNERS PLEASE CALL US ON **1800 60 90 44** OR E-MAIL **INFO@DENTALPARTNERS.COM.AU**

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Dental Partners is seeking high calibre dental and specialist practices to partner with throughout Australia.

The benefits to you include:

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- » Continued clinical and managerial autonomy.
- » Stability of belonging to a publicly listed multi-disciplinary healthcare group.
- » Exceptional ongoing financial incentives.
- » Access to continuing education and business development.
- » Being part of a socially responsible group with high integrity.
- » Succession planning.
- » Work / life fulfillment.



“I would like you to know how pleased I am with the transition which has been totally seamless. From a daily clinical view, all continues as before – for both staff and patients. The Dental Partners team has at all times been extremely helpful, courteous and efficient. I look forward to the continuing working relationship between myself and Dental Partners.”
Dr. Gavin Clarke (Tweed Dental Centre)



“Your future with Dental Partners”

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