



## **TEN TIPS TO PREPARING YOUR PRACTICE FOR SALE**

1. **PLAN AHEAD**
  - In today's market, selling a practice is "easier said than done". Thus, it is incumbent upon you to plan well in advance for the sale of your practice. For example: six months to one year (for a metropolitan area), one to two years (for a medium sized city), and two to five years (for smaller cities).
2. **CLEAN UP THE CLUTTER**
  - Most practices have accumulated years and years of "clutter" (books, journals, old dental equipment, artifacts). All of this should be cleaned up and in some manner disposed of.
  - Buyers will expect an office to be organized and sanitary.
3. **SPRUCE UP THE DÉCOR**
  - Like the appearance of your home when attempting to sell it, the practice should look neat and tidy. Some low cost items like carpeting, wallpaper and paint can do wonders for the appearance of an office, thus enhance its appeal.
4. **GET YOUR FEES IN LINE**
  - If your practice has been lacking in updating your fee schedule, do so in preparation of its sale. No buyer wants the first order of business to be raising fees!
  - An average to above average fee schedule shows a patient acceptance of quality dentistry.
5. **REINVIGORATE YOUR RECALL SYSTEM**
  - Many aging practices evolve into a "voluntary recall system". Re-instituting an "active recall system" will not only increase your production, but your active patients and patient flow.
6. **TUNE UP YOUR DENTAL AND OFFICE EQUIPMENT**
  - Although it is not advisable to make major equipment purchases immediately preceding the sale of your practice, it is advisable to get your equipment functioning well, and if necessary, replace or add certain items. For example, recovering a dental chair or replacing a cabinet facing are a few items that can enhance the practice's appearance and productivity.
7. **WEED OUT THE "BAD" ACCOUNTS RECEIVABLE**
  - Most practices have accounts receivable that should have been turned over to collections or written off. This should be done on an ongoing basis, however it is imperative to handle these accounts before the practice is sold.

8. DON'T LET YOUR LEASE LAPSE
  - With some exceptions (e.g. records sale or inferior facility), it is important that the buyer have a facility in which to practice. Be sure that your lease is current and that a renewal options, assignments and/or new leases are available to a buyer.
  
9. MAINTAIN YOUR PRODUCTION
  - In anticipation of the sale of the practice, some doctors cut back significantly on their schedules, thus affecting the practice's production, vitality and ultimately its value. It is critical that the practice's production does not slide prior to sale.
  
10. CHECK WITH YOUR ADVISORS
  - Before you make what may be a "once in a lifetime" decision, you should check with the people you trust the most. Counsel from financial advisors (to check on the financial feasibility of retiring), accountants (to check on the tax ramifications), attorney (to check on any legalities or estate planning issues), and a competent experienced practice broker (to pull the whole thing together) is essential for a successful transition.