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possible.	
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VISION EXPO	
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Vous Three Vees Deth To Owning a Dreeties	
Your Three-Year Path To Owning a Practice	
Nathan Hayes	
Director of Financial Services, IDOC	
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Disclosure	
Nathan Hayes is a full-time employee of IDOC and	
the director of Books & Benchmarks.	
All relevant relationships have been mitigated.	
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### **Who is Nathan Hayes?**

- Director of Financial Services at IDOC
- Built and Manage Books & Benchmarks
  - 1000+ practice evaluations



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Start	With	<b>'Wh</b> y	ı?

Why are YOU interested in owning a practice?

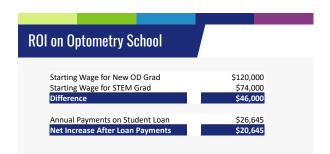
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### Start With 'Why?'

Why are YOU interested in owning a practice?







Gross Revenue	Cost Of Goods \$152,000  Non-0D Staff Investment \$132,000  COGs and Staff Expense % 49%  Occupancy, Equipment, Marketing &  General Office Overhead \$132,000	Practice Economics	3
COGs and Staff Expense %         49%           Occupancy, Equipment, Marketing & General Office Overhead         5132,000           Fixed Overhead %         22%	COGs and Staff Expense % 49%  Occupancy, Equipment, Marketing & 5132,000  General Office Overhead 5132,000  Fixed Overhead % 22%  Practice Net Income 5176,000		
General Office Overhead \$132,000  Fixed Overhead % 22%	General Office Overhead   \$132,000     Fixed Overhead %   22%     Practice Net Income   \$174,000		
	Practice Net Income \$174,000		\$132,000

Practice Economics	s	
Gross Revenue	\$600,000	\$1,200,000
Cost Of Goods	\$162,000	\$324,000
Non-OD Staff Investment	\$132,000	\$264,000 49%
COGs and Staff Expense %	49%	49%
Occupancy, Equipment, Marketing & General Office Overhead	\$132,000	\$240.000
Fixed Overhead %	22%	20%
Practice Net Income	\$174,000	\$372,000
Practice Net Income %	29%	31%
Associate Pay	\$0	\$50,000
Owner's Net Income	\$174,000	\$322,000

ractice Economics	3		
Gross Revenue	\$600,000	\$1,200,000	\$1,800,000
Cost Of Goods	\$162,000	\$324,000	\$486,000
Non-OD Staff Investment	\$132,000	\$264,000	\$396,000
COGs and Staff Expense %	49%	49%	49%
Occupancy, Equipment, Marketing &			
General Office Overhead	\$132,000	\$240,000	\$324,000
Fixed Overhead %	22%	20%	18%
Practice Net Income	\$174,000	\$372,000	\$594,000
Practice Net Income %	29%	31%	33%
Associate Pay	\$0	\$50,000	\$180,000
Owner's Net Income	\$174,000	\$322,000	\$414,000

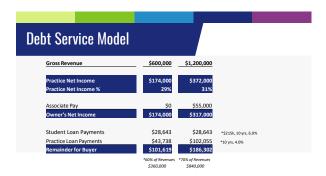


### **Valuation Methods**

- Asset Approach
- Market Transaction Approach
- Income Approach
- Debt-service Approach

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### **Getting Ready**

"REVENUE is a number that measures how many PATIENTS we cared for and how much CARE we gave them."

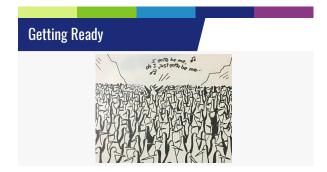
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## Getting Ready # of Comprehensive Exams x Revenue per Exam = Total Collected Revenue

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# Buy, Open, or Partner? Acquisition Considerations Pros - Enisting Patient Base - Enisting Patient Base - Revenue, Profit, and Cash Flow From Day One - Built out and Equipped Cons - Enisting Patient Base - Tenured Staff - Revenue, Profit, and Cash Flow From Day One - Built out and Equipped

### Buy, Open, or Partner?



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### Buy, Open, or Partner?

Cold Start Considerations

- Pros
  Choose Your Own Location
  Pick Your Own Staff
  Choose Your Own Equipment
  Build Patient Base On Your Terms

- Cons
  Choose Your Own Location
  Pick Your Own Staff
  Choose Your Own Equipment
  Build Patient Base On Your Terms

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## Buy, Open, or Partner?



### Buy, Open, or Partner?

### Partnership Considerations

- Be HYPER-communicative and HYPER-transparent
- Is there enough profit to pay multiple owners?
- Compensation formula is critical

  - ProductionManagementEquity

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### **What You Need To Remember**

Practice owners have more:

- · Freedom to practice how they want
- Income to pay off loans faster and build greater wealth Control of time and work life

Practices ARE affordable, because they cash flow more than the debt required to buy them

When you're ready, there are great resources out there to help

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