

## COUNT THE TOILETS!



Yes, toilets matter when it comes to business valuations.

This is not a joke. It matters to people who work in dental practices, meaning it also matters to the value of a dental practice.

Hear me out.

In late 2023 I had a heated debate about the market value of the tangible assets within a dental practice.

The practice being discussed had major upgrades – over \$1 million was spent on upgrades! It is a very impressive office.

While I did not discuss the 4 toilets in this office, I bantered with the “expert” about the value of the owner’s investment in technology, modern equipment, and extensive leaseholds improvements.

He argued that adjusted earnings are all that matters. The dreaded EBITDA formula!

**I assure you, without reservation – toilets matter to dentists, patients, and staff!**



This 'expert' enjoys a corner office in an ivory tower in Toronto's financial district. He may have a gold-plated toilet in his private bathroom. Lucky man.

I asked if he has ever worked in a dental practice. He said no. He is a high-paid financial analyst.

I also asked if he has ever visited a dental office without bathrooms – the kind you find in old medical buildings where you must go down the hall to use a bathroom that is shared by everyone on the floor.

He said yes, and that he found it inconvenient.

You know those office buildings. The ones where those who need to use the bathroom must request a key from reception, and it's typically attached to a toothbrush or long wooden ruler.

That's how medical/dental buildings were designed in the old days.

Thankfully, dental office designs have changed!

I recently sold a practice that had a private office for the doctor with an attached bathroom and shower. There was also a large, lovely staff room with a private staff bathroom and lockers for employees to keep their personal belongings.

And because it was a recent build, there was a large, accessible bathroom for patients with disabilities that was decorated for each season or significant event like Halloween, Valentine's Day, and more. It contained free amenities including dental floss samples and tiny mouthwash bottles.

This doctor took pride in the design of her practice.

Pride of ownership! What a wonderful feeling!

### **Waiting rooms may be for wimps, but toilets are for kings and queens!**

Anyone who thinks toilets do not matter does not understand what it's like to work in a dental office.

Anyone who determines the value of a practice using nothing, but a spreadsheet and calculation of earnings is not acknowledging the day-to-day demands of working in a busy dental office.

Yes, you need to count the toilets.

AND you also need to count the plugs!

Want to talk about toilets?

**TEXT me at (416) 520-7420**

PS: My Editor Samantha Kohn visits a dentist in an older building. She told me she "cringes" when she must walk down the hall with key in hand. She visits the lobby coffee shop before getting on the elevator to her dental office.

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