

## THE BIG PLAYERS ARE COMING AFTER YOUR PATIENTS



Dental Corp (tsx.DNTL) sells for \$3.3 billion (total enterprise value) to [www.gtcr.com](http://www.gtcr.com)

Average sale price per location = \$5.9 million (561 locations)

Average gross income per location = \$2.75 million (2024 nationwide gross of \$1.54 billion)

Average sale price per location = 214% (of gross)

EBITDA – I honestly cannot figure out the financial statements! Give me some time please. I am perplexed by the frequency of the word “Adjusted”. My initial valuation ranges from a low of 8.1X up to 12.2X. I have yet to perfect the numbers. More observations to follow. I have sequestered a think tank of Canadian i-Dentists™ who own/control ~375 locations that are not affiliated with the “big 2” of Canada. Stay tuned. *i-Dentist™ is a trademark of ROI Corporation.*

Large corporates understand what it takes when marketing to consumers (aka YOUR patients):

1. Convenience
2. Cost
3. Service
4. Quality

Sadly, the average Canadian has no clue about the quality of dental care – only the quality of service.

Amazon is a perfect example of convenience, though not necessarily at low cost.



[roicorp.com](http://roicorp.com)

As for quality, that's entirely up to us, we select the product we want – so no one blames Amazon for mediocre quality.

Uber is extremely convenient. Honestly, I do not even know what a taxi costs anymore. I choose Uber purely for its convenience – and likely pay more than traditional taxi.

Uber Eats? It is definitely more expensive than traditional takeout, but faster and easier. So, I use it.

Dental practices have not been known for their convenience, although evening and weekend appointments have been gradually adopted for over 30 years.

Back in the 1980s, I worked for Dr. Howard Rocket, co-founder of **Tridont Dental**, the largest retail chain of dental clinics in Canada at the time.

Read more here: [Tridont Dental](#)

Tridont believed in convenience. They established clinics inside major enclosed malls, which is a very convenient location, especially in the dead of Canadian winter.

They were also open evenings and weekends.

The old guard was outraged!

*“How dare they open after 5 PM? And on a Saturday? Blasphemy!”*

Tridont's greatest strategic advantage? They challenged the advertising laws of the day. One such regulation limited sign lettering to no more than four inches in height for exterior signage.

Needless to say, those days are long gone.

Tridont took their fight to the Supreme Court, pushing back against restrictive, regulatory rules.

Advertising was severely restricted until Howard challenged the RCDSO in the Supreme Court of Canada – yes, *the Supreme Court!* I was there for it...

Read more here: [Supreme Court of Canada - Dental Advertising](#)

You can thank Howie and his partner Brian for opening the door.

When they succeeded, they opened the floodgates and became highly effective at drawing patients away from traditional dentists. Not just through convenience, but also by leveraging big-budget advertising, something smaller practices simply could not compete with.



Dr. Howie Rocket (The National/CBC Archives)

It seems like we're in a wash, rinse, repeat cycle, because in my opinion, it's about to happen again.

### **Big corporate dentistry is gunning for your patients**

And this time, it's going to be splashy!

“Smiles for everyone!” or something feeble like that.

I am not exactly sure what their value propositions will be - but they must offer something new – like Amazon or Uber did.

Perhaps a Points or “Rewards” system for loyal, repeat patients?

#### **Advertising price**

Dentists rarely, if ever, compete on price. In fact, in some regions the advertising of price is frowned upon or considered professional misconduct.

Thus, pricing is not a straightforward battleground for competition.



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That said, someone will likely come out swinging with deep discount services, such as free exams, free whitening – or worse, think free fillings!

Maybe they are ready to challenge the Supreme Court, just like Tridont did.

So, get ready for the great marketing push to persuade Canadians to switch dental offices.

If you have ever visited the United States, you have seen the overly aggressive advertising campaigns, from both big corporations and independents.

I have lost count of the number of flyers I receive at my Florida property. And the billboards? Wow!

It is grotesque compared to the dignified traditions of Canadian dental marketing, but those days may soon be behind us.

I hope this shift does not diminish the respect Canadians have for their dentist.

I remember my dad having this same conversation with me back in the 1980s. He was appalled by the advertising changes as he was (and remained) loyal to the men (and some women) who graduated in the 1950s through the early 1970s. That was his clientele and he supported them.

Sadly, I predict this will not end well for members of this great profession.

Looking back – the start of my career - there has been no shortage of turmoil in the profession.

To name just a few of the more recent disruptions:

1. The pandemic
2. Rising interest rates
3. Recruiters raiding offices and soliciting staff away – perhaps the most hurtful of all

**And now, they are going to target your biggest asset: your patient list.**

There are ways to defend yourself, and there are ways to fight back against this tidal wave, but only the strongest and fittest may survive it.

I promise to remain loyal to the firsthand owner-operator dentists that have supported our firm, either purchasing their first office through ROI or investing in our empirical appraisal for planning.

I wish you all enormous success in this next chapter of the profession as it unfolds.

PS – nope, still not using AI.

This is all me!

100% Timothy – every Sunday @ 7:30 am.

**TEXT me @ (416) 520-7420** for a FREE estimate of the fair market value of your practice.

Refer a friend and BOTH of you will receive a **REVERSE Tariff** professional courtesy up to \$1,500 for your ROI Appraisals. A total savings of \$3,000.

Subscribe to my newsletter: [Timothy's Newsletter](#)

Working with i-Dentists™ since 1984  
(*actually, a little bit longer than that!*)

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Record



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