



PRACTICE TRANSITIONS

CLIENT CASE STUDY

Beyond the First Offer: How a Texas Dentist Turned Down 'Good' for 'Life-Changing'

THE CROSSROADS

Dr. L stood at a familiar crossroads for many dental practice owners – knowing it was time for a transition, but facing offers from different buyers that were not up to par. Despite building a thriving Texas practice with impressive financial metrics, the path forward seemed underwhelming.

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"We knew our practice was valuable," Dr. L recalled. "But the initial conversations we had with potential buyers and even through another broker weren't reflecting that value."

- Like many dentists planning significant life changes, Dr. L and her husband faced a critical question: accept what seemed like a reasonable offer, or hold out for something truly transformative?

THE CHALLENGE OF KNOWING YOUR WORTH

Despite her husband's financial background and their methodical approach to the market, their initial efforts yielded frustration:

- Potential buyers who expressed interest but never made formal offers
- Valuations that reflected "fair market" but not premium value
- Timeline requirements that didn't align with their plans
- Complex deal structures that diminished the actual take-home value

As they considered settling for less-than-ideal terms, Practice Transitions Group entered the picture.

THE TURNING POINT

The PTG team immediately recognized what others had missed – this wasn't just a good practice; it was a premium acquisition opportunity. Rather than accepting the practice owners' frustration as market reality, PTG set a bold but achievable target: multiple competitive offers at a premium EBITDA.

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"Most practice owners don't realize the enormous difference between having one offer and having four," explains Thomas Allen, President of PTG. "That first offer is just the starting point – the real value emerges when qualified buyers compete."

FROM STALLED TO SOLD

What happened next validated PTG's approach. Within weeks, interest surged from qualified buyers. As Dr. L's husband later reflected:

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"PTG generated more serious interest in a month than we'd seen in our entire previous year of efforts."

The multiple-offer environment created precisely what the practice owners needed: leverage. By the end of the process, they secured:

- A valuation well above industry standards
- A deal structure allowing them to transition on their timeline
- Substantially higher cash at closing than in previous discussions
- The ability to protect their team through the transition

THE LIFE-CHANGING DIFFERENCE

The final transaction represented more than just a number – it represented freedom. With a premium valuation, Dr. L and her husband gained the financial security to pursue their next chapter without compromise.

The difference between their initial prospects and outcome wasn't just incremental – it was transformative. What began as a frustrating process became a success story that fundamentally changed their options for the future.

THE LESSON FOR PRACTICE OWNERS

This case illustrates the critical difference between accepting the first "reasonable" offer and holding out for extraordinary results. For dental practice owners considering transitions, it underscores several key lessons:

1. Market validation requires multiple offers – a single offer rarely reflects true market value
2. Professional representation changes buyer perception – as one buyer noted, "When PTG represents a practice, we know it's a serious opportunity"
3. Deal structure matters as much as headline value – the right structure can transform good into life-changing

Expertise delivers measurable results – even financially sophisticated owners benefit from specialized transition knowledge

For dental practice owners wondering if they should accept that initial offer or seek something more, Dr. L's experience provides a compelling answer: with the right advisory partner, "good enough" can become truly life-changing.

Note: Details have been anonymized to protect client confidentiality.

Call us at (512) 761-7101 or send us an email at Engage@PracticeTransitionsGroup.com