



PRACTICE TRANSITIONS

CLIENT CASE STUDY

"My Injectors Are Everything - I Couldn't Partner with Someone Who Didn't Get That": How PTG Protected This Owner's Priorities

THE CHALLENGE: GREAT NUMBERS, WRONG STRUCTURE

Dr. R had built a successful multi-location MedSpa in California and Colorado. She had attractive offers from two different groups, but the financial terms were only part of her concern.

What she really wanted was the flexibility to step back from the business in three years to focus on her growing family. With two young children, Dr. R needed deal terms that aligned with her personal timeline and protection for the team she'd built.

"I kept hearing about all these horror stories where people got locked into these equity deals and couldn't get out," Dr. R recalls. "I needed to know that if I wanted to step back in three years to be more present for my kids, I wouldn't lose everything I'd worked for."

UNDERSTANDING THE REAL DEAL STRUCTURE RISKS

"The problem with many equity rollover structures," explains Lauren Wheeler, PTG's Senior M&A Advisor, "is that they often include buyback provisions that can trap sellers. If you leave before fulfilling employment commitments, you might lose your equity for pennies on the dollar."

Analyzing Equity Buyback Provisions

Most equity deals include repurchase rights that activate if the seller leaves early. PTG's detailed analysis revealed significant differences between the two offers:

One group's standard buyback clause would have required Dr. R to forfeit most of her equity value if she left before a specific timeframe.

The other group had unusually favorable terms; if she left during her employment period, they would buy her equity at fair market value rather than nominal amounts.

"That was crucial for her timeline," Lauren explains. "She wanted the flexibility to prioritize family in three years, and this group's structure actually supported that rather than penalizing it."

Long-Term Equity Value Concerns

Beyond the buyback risk, PTG helped Dr. R understand the realistic long-term value of her equity position. This wasn't just about projected returns; it was about understanding the actual mechanics of how and when she could realize that value.

"Many sellers focus on the percentage of equity they're rolling, but don't understand the liquidity timeline or what controls they'll have," Lauren notes. "We made sure she understood exactly what she was signing up for."

Protecting the Injector Team

Dr. R's biggest operational concern was protecting her injector team. These weren't just employees—they were the heart of her business model and culture.

"My injectors are everything," Dr. R explains. "They're not just employees, they're artists. I couldn't sell to a group that didn't understand how to keep them happy and motivated."

THE PTG SOLUTION: NEGOTIATING BEYOND THE NUMBERS

Securing Staff Protection

PTG helped negotiate the implementation of a long-term incentive plan for key staff, something the acquiring group was considering but hadn't formalized. This addressed both staff retention and Dr. R's concerns about maintaining quality care.

"When Lauren helped get that incentive plan in writing, I knew they understood what makes this business work," Dr. R recalls.

Structuring Personal Flexibility

The team worked to ensure Dr. R's employment agreement and equity structure aligned with her three-year timeline, including favorable buyback terms and realistic performance expectations.

Creating Confidence in the Decision

Perhaps most importantly, PTG provided the detailed analysis and expert guidance that allowed Dr. R to make her decision with confidence rather than anxiety.

THE OUTCOME: PEACE OF MIND AND PROTECTED PRIORITIES

PTG's focus on deal structure delivered crucial protections:

- **Protected family timeline:** Favorable buyback terms supporting her three-year flexibility goal

- **Staff protection:** Long-term incentive plan implemented for her injector team
- **Realistic equity expectations:** Clear understanding of liquidity timeline and value realization

Decision confidence: Comprehensive analysis of all non-financial deal terms

WHAT THIS MEANS FOR MEDSPA OWNERS

- **Equity Structure Details Matter More Than Headlines:** "Don't just look at the equity percentage," advises Lauren. "Understand the employment requirements, buyback provisions, and what happens if your personal timeline doesn't match their expectations."

- **Your Team Deserves Protection Too:** Staff retention is crucial for practice continuity, but many buyers don't automatically prioritize injector retention programs. Making this a deal requirement protects both your team and your equity value.
- **Personal Goals Don't Have to Be Sacrificed:** "Too many sellers assume they have to choose between good economics and personal flexibility," Lauren notes. "With the right structure and negotiation, you can often achieve both."

THE BOTTOM LINE

For MedSpa owners evaluating their options, Dr. R's experience illustrates why deal structure expertise matters as much as financial terms. The difference between a good offer and the right offer often lies in the details that protect your long-term interests.

"I thought I understood these deals because I'd been negotiating for two years," Dr. R admits. "But there were so many nuances I was missing. Having someone who really knows this market made all the difference—not just in the final terms, but in helping me feel confident about my decision."

Today, Dr. R continues injecting one day per week while playing a leadership role in her acquiring group's broader organization, with the flexibility to step back when her family priorities require it.

Beyond obtaining the best financial outcome, we are committed to ensuring the long-term success and legacy of each practice we work with. We approach every transaction with a genuine desire to understand our clients' goals, crafting deals that align with their vision for the future. Then, we lead all aspects of the sale or partnership. With a team that combines expertise in financial analysis, marketing strategies, and sell-side negotiations, we execute successful, profitable transactions for our clients.