



Blue Heron Consulting

*Stick Your Neck Out*

# Shark Tank: Sink or Swim



# Your Ship's Heading

- You are interested in buying a veterinary hospital
- You aren't interested in "average"
- You need outside financing
- Need veterinary coaching & management expertise
- You have two different hospitals to consider:
  - 2016's Profit and Loss statement (assume this P&L is representative of the previous 3 years)
  - Real estate appraisal (if applicable)
  - Equipment value
  - Drugs/supplies inventory value
  - Brief description and history of the practice
  - Current estimated value of the practice

# Your Mission

- Your team's job is to review each hospital and select one hospital you believe is the best investment. You will present the case for your chosen hospital to our "practice purchase advisory board."
- In preparation for your presentation, each group should:
  - Analyze the P&L, as well as the supporting documentation, to decide if the estimated value is reasonable. Assume that the stated net revenue is representative of the past three years.
  - If it is not reasonable by your calculations, prepare an alternate purchase price with reasons for your corrections.
  - Upon arriving at a purchase price, investigate the data to determine the potential post-purchase upside.
  - Pick a spokesperson to present your practice to the Practice Purchase Advisory Board for their input and potential financing.
  - You will have a limited time to present your practice, so be prepared to make a concise presentation.

# The Sharks Are Circling... Be Prepared to Negotiate

- 60 minutes to evaluate your purchase opportunities, select a hospital, establish a reasonable practice value and develop a strategy for hospital sustainability and profitability.
- 15 minutes to present your practice to the Shark Tank Practice Purchase Advisory Board for purchase, including post-acquisition plans for improvement (10 minutes to present & 5 minutes for questions and considerations)

## Contact Information

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