



# **IF YOU WANT TO GET RICH SELLING YOUR PT PRACTICE**

**DO THESE SIX THINGS  
TO MAXIMIZE ITS VALUE**



## What Kind of Value Does Your Practice Actually Have?

If you want to receive the highest return for the sale of your practice, begin preparing now for an exit in 3-5 years.

At some point, you're going to make the decision to step away from the PT business you created. During this time, you'll also begin to understand the value of your practice as it exists today. Everyone wants to receive the maximum value of the practice they worked so hard to build. The truth is, exiting your practice is a 3–5-year process that requires extensive preparation prior to putting it up for sale. In this guide, we'll walk you through six things you must do to increase the valuation of your practice before you sell.



# Why Should I Plan 3-5 Years in Advance of Exiting My Practice?

Building a wealthy exit strategy takes time. It's important to understand that there are certain things you can do to make your business more attractive to potential buyers. For individuals or groups that are looking to buy or acquire your practice, it is important that you show 3-5 years of consistent growth to prove your practice is on solid financial ground for potential buyers. An established practice that provides good patient care, has reliable staff in place, and a history of business growth that has the potential to continue on a positive trajectory will hold the most appeal to a prospective buyer. There are six things you can do to maximize your practice value to potential buyers, keep reading to find out more about them.





# 1

## Stand Out from Your Competition

The most successful businesses stand out from their competition. In PT private practice, a key strategy for doing this is through a specialty therapy. Specializations help you secure a larger percent of the available patient market within your community which looks attractive to buyers because you have a large net to cast for potential billings. Specialty services include pediatrics, hydrotherapies, pelvic health, vestibular rehabilitation and balance therapy. To a prospective buyer, staff members who hold specialty certifications are an enormous asset, so consider securing staff members who can help broaden your outreach in a niche specialty. It's also important to note that specialty patients can be great candidates to introduce to your traditional services which leads to recurring revenue and diversified revenue streams which we will discuss below.

# 2

## Provide Complementary Services

Savvy buyers want to work with a practice that has diversified revenue streams. What does this mean? Outside of your insurance reimbursements, how else is your practice bringing in cash flow? Services that complement physical therapy are a great way to increase current patient loyalty as it offers one-stop-shop opportunities. This is an attractive benefit to busy commuters and patients who struggle with access to their own transportation. Great options for ancillary cash-based services for PTs include:

- Massage
- Laser Therapy
- Aquatic PT
- Health-based fitness
- Orthotics fittings/gait analysis
- Retail products
- Cupping and dry needling
- Assisted Stretching
- Acupuncture
- Wellness Services

By offering services like these, you can help your patients feel a degree of immediate relief that complements their long-term care plan with you as a PT. This is also an opportunity to attract more cash-pay patients to your clinic. Once they are in the door, you are able to prescribe a suite of wellness services that will help them reach their health goals in conjunction with their PT goals. Long term strategic thinking like this builds a new patient ingress into your practice and helps to maximize your growth over time – another advantage when you plan to sell.



# 3

## Multiple Locations

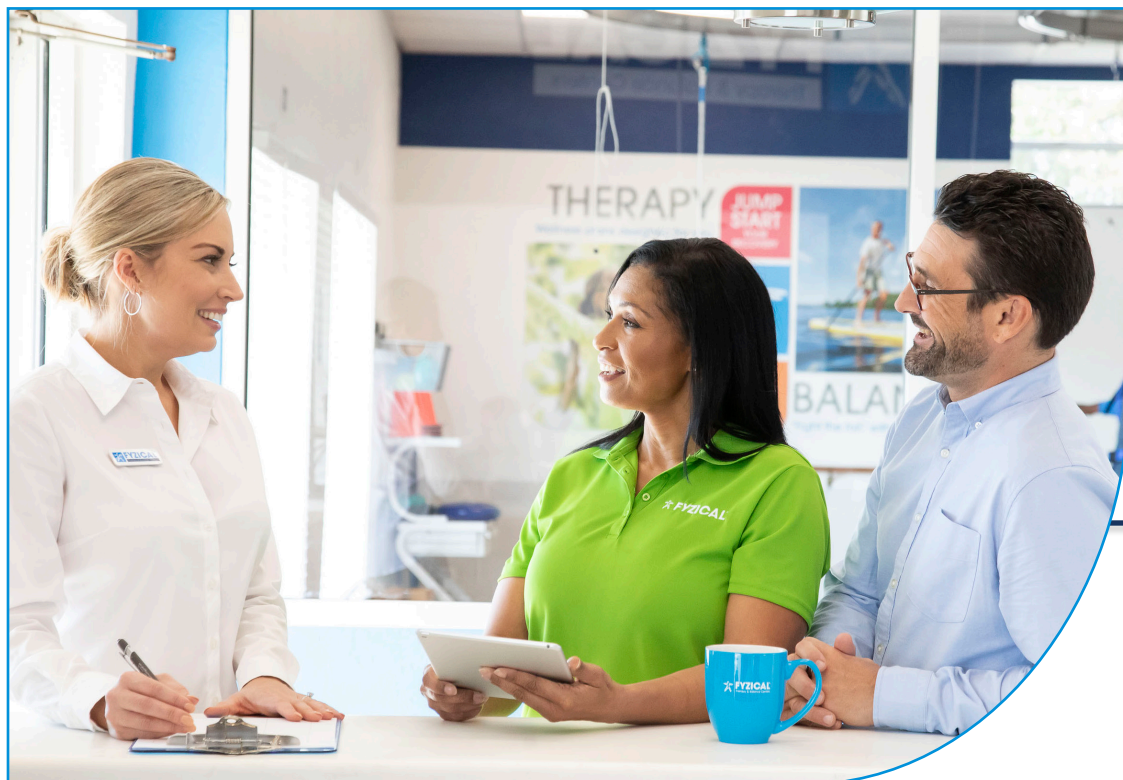
Having multiple practices is a great way to demonstrate that your business is growing. It proves that your model for private practice is scalable, and it also diversifies where revenue comes from. To a prospective buyer, this is a strong assurance that your business will be able to continue on a trajectory of positive growth. From their perspective, multiple locations indicate that you are able to:

- Practice good financial management
- Optimize your practice management
- Systematize your practice for scalability
- Leverage a successful marketing strategy
- Excel in organization
- Step out of the daily management of a single practice

The only way to successfully open multiple locations is to automate business processes, creating a practice that is systematic and predictable. This style of business management will generate more interest in your practice from savvy buyers upon exit.





**4**

## Diversify Your Referral Sources

Where are your patients coming from? If you aren't already reliably tracking your referrals and understanding where business for your practice is coming from – start now. In a thriving practice, no more than 5% of referrals should come from an individual source, while no more than 15% should be linked to a group. If your percentage for a group or individual exceeds this - your business could be at risk should one of your referral sources close their doors, retire unexpectedly, or relocate.

Before you sell, evaluate your referral sources and track them. Take the opportunity now to diversify and expand – nurture the referrers who represent a lower percentage of your current referrals and expand your outreach to potential referrers in your community. A strong, diverse referral portfolio offers your prospective buyer assurance that your business is stable and profitable. If you need help getting started with referral management and tracking, check out this ['how-to' guide](#).

**5**

## Established Branding

**Is Your Name Hurting the Value of Your Practice?**  
Many practice owners don't know that they could be hurting their long-term strategy to sell if they rely on their own name to garner interest in the practice. While practitioners often want to differentiate themselves by building a reputation around their name, it can backfire when you are ready to exit the business. If your name is what drives patients to your practice, you may not experience much success when you attempt to sell.

If you are considering a sale in the next 3-5 years, a slow transition to a new name or brand that focuses on your specialty may increase your offer. Strong branding and community awareness is a key selling point for prospective buyers, so if you plan to leave the practice after you sell, your name could spell risk to a buyer. A strong branding strategy is key to establishing your practice in the community, as well as for prospective buyers.

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## Strong Marketing

A successful marketing cadence will give your practice an online presence and continue to keep your business top of mind in your community, especially when patients are searching for the services that your practice provides. Prospective buyers like the security and assurance that an established marketing program offers. Marketing, when done well, helps your practice grow and a thriving practice is what buyers seek. If your marketing strategies aren't yet established, or not very strong, start with your online reputation.

In healthcare, reviews are the social currency of today's society. Google reviews are king and should be your primary focus. Ask patients to post their reviews of your practice, and check out our [guide on getting more reviews here](#).

Develop a marketing calendar for the year and carve out time each week to execute support pieces for it. If you can, hire a marketing team to help you conquer internet marketing. While referrals are often the backbone for a practice, you want the people searching for what you treat to be able to find you online as well. If you need additional information on getting started, we have some great guides for PTs [here](#) and [here](#).







## Set Yourself Up for Success Today

Planning for a wealthy exit from private practice is a critical step for every owner whether you're just starting out or you're looking to sell in the near future. Having a strategy that propels your practice toward continued growth for at least three years prior to attempted sale is the key to any owner's wealthy exit. Successful selling comes down to demonstrating continued growth and the potential for additional success to your prospective buyer.

### ARE YOU PREPARED TO EXIT?

Do you want more information on how to prepare your practice now for a wealthy exit in the next five years or beyond? FYZICAL is where passionate private practice owners and business experts team up!

We help you master the business of PT so you can grow strategically and achieve your financial goals. Contact a FYZICAL advisor to learn what you can do today to plan for your tomorrow.

[Learn More](#)





