

the Madow Brothers Monthly



THE ONLY DENTAL NEWS AND OPINIONS WORTH READING

My Recession Confession

By David M. Madow, DDS

Recession, depression, oppression, regression, transgression, succession, obsession, decompression, bull session, rap session or jam session? I have no clue what we are going through. And let me tell you...neither do the "experts"!

Let's face it; there is nothing any of us can do about this economy - at least on the macroeconomic side. And by the macroeconomic side I am referring to real estate markets, stock markets, interest rates, tax laws, etc.

But the good news is that we do have some control over the microeconomic side - our personal finances. Financial strategies that I have figured out by necessity have literally changed my life and given me a very positive outlook on everything, no matter how long this crazy economic climate continues.

Has anything good come out of the crazy times we are experiencing? I actually think so. Let me share a few things I have learned over the past few months and have incorporated into my life. I find that they are making a very big difference. I am fairly certain they will help you as well. OK, here we go...

It is more important than ever to have a total grasp of your finances.

If you were like me, you used to go out shopping, see something you wanted, and simply purchase it. The credit card bill came in at the end of the month and you paid it. No big deal, right?

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And I bet if I asked you what your average monthly cash flow is for business and personal, you would give me a blank stare. I mean, there is probably no way you could tell me accurately how much you have coming in (after taxes) each month and how much goes out. Most people only guess (inaccurately).

In the past, buying on a whim and ignorance concerning monthly cash flow probably didn't matter too much. The money was there, we spent it - no problem. But as Bob Dylan once said, "The times they are a'changin'." The financial climate in this country now demands our attention. This recession (depression? - whatever it is) affects all of us. Ignorance of our financial situation is a luxury we can no longer afford.

I found this cool little Web site online that will totally change this and give you a perfect snapshot of your finances at any time of the day you wish. It is called Mint and the Web site is www.mint.com.

When you go there, you will have to input some personal and financial information, but they use the same security that financial institutions use so I have no problem giving them what they need. At any time, you can go to Mint and see exactly how much you have in any of your accounts, how much you have charged, if you are over budget in any category, etc.

Once you start using Mint, it will be clear as day where your money is going. And with a few little tweaks, you will be able to cut out the money wasters and ultimately have a balanced budget!

I have been using Mint for only a couple of months now, and it has more than paid for itself already. Oh, wait a second, Mint is totally free! Check it out.

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Please do not stop your marketing!

Unfortunately, I hear this one all the time from dentists: "Things are a little tight as far as my cash flow these days, so I have decided to cut back on my marketing." If you are even remotely thinking this, please be warned that making this mistake could prove to be very serious.

Think about it for a second. There is a very good chance that your bottom line is down 20% or so in this economy right now. That seems to be the national average. Maybe you are doing a little better or a little worse. But if this is true, then you absolutely need new patients, not necessarily to grow your practice, but to at least get your numbers up to where they should be. So you need to continue your marketing or you will slip even farther behind.

Now, of course, I am not recommending that you continue marketing that is not working. I would not recommend that in ANY economy, let alone a down economy. Make sure you are doing things that have been proven to work, especially in tough economic times. There are tons of things that work now.

In our one-day "Love Dentistry" seminars, Rich and I talk about many good marketing strategies that are working now for our subscribers all across the country. And the good news is that many of these are free or "almost free." If you have not been to one of our seminars or you are not sure where you should start, please call our office at **1-800-258-0060** and one of our friendly team members will be very happy to give you some ideas! But please, no matter what you do, don't close up your pipeline to the community.

It is crucial to save money on the things that you are able to save on!

So we have established the fact that halting or postponing your marketing because of the economy is perhaps one of the biggest mistakes that you could make. Having said that, there are many areas you SHOULD be saving on. As I said in my **December 2008**

article, I have found it to be true that many vendors are willing to negotiate on price because their numbers are down so much.

The most important expense that you can start saving on immediately is for your dental supplies. This one is such a no-brainer; I am surprised that 100% of you are not doing this.

It doesn't take a genius to tell you that your dental supplies comprise a significant portion of your expenses. If you are like the average dental practice, you are most likely buying the equivalent value of a luxury car or SUV each year in dental supplies! If it were possible, wouldn't it make sense to minimize this expense while purchasing the exact same dental supplies?

Well, this is very possible. As you know, many years ago, Rich and I teamed up with David Fry and Bryan Lindsay to create the **Richards Report Buying Group**. Since its inception, our goal has been to bring our members their dental supplies at the absolute lowest cost possible. The way we are able to do this is the same way that large companies are able to purchase goods at much better prices than the average consumer - by buying in large quantities.

Let me ask you a question: If you wanted to purchase some hamburger buns, do you think you'd be able to do so at the same price that McDonald's purchases their buns? Or if you needed a flat screen TV, could you get the same price that Marriott Hotels gets? Of course the answer would be no to the above. These companies buy so many hamburger buns and TVs that they get to purchase these at probably half of what you or I would pay.

Well, the same applies to your dental supplies although not on as grand of a scale, of course. You see, over the last thirteen years, we have brought so many dentists into our buying group that we are able to negotiate what we believe is the best deal on dental supplies in the profession.

Some of the highlights of the Richards Report Buying Group are:

- Free membership ALWAYS! Some other groups lure you in with "free membership," only to find out that it was a teaser and in order

to stay in, you must pay to play! We have never charged for membership, and we never will.

- Affiliation with the best dental supply company! As you probably know, we have been affiliated with Darby Dental for quite some time now. Darby has a reputation for a great catalog of items at fantastic prices.
- Discount from already low prices! Richards Report Buying Group members take 12% off of the regular already low prices in Darby's catalog. Why wouldn't you take advantage of this???
- Fastest shipping to-your-door!
- Dedicated phone number for our members! When you place an order, you call our incredibly dedicated staff at the Buying Group. They will treat you like part of our family! The phone number is **1-866-309-9472**.
- Easy signup! Call **1-866-309-9472** immediately and get signed up in a matter of seconds. Then, as soon as you are ready to place your first order, you may call, fax or go online! It is so simple.

I cannot stress enough how important it is right now to join a buying group. In the past, if you wanted to overpay for your supplies, maybe it was easier to make up for it with increased revenues. Today, you need to save every single way you can. This is a MUST!!!!

Thanks for being a reader of The Madow Brothers Monthly. We are the "Love Dentistry Guys"! We have been teaching dentists and their teams how to "Love Dentistry, Have Fun and Get Rich" for just about twenty years now. Over the next few months you will be seeing more about how to "Love Dentistry!"

And please watch out for the unveiling of our brand new Web site, www.lovedentistry.com. Others who have promised to help you have come and gone while The Madow Brothers are making more dentists successful every day! Remember, you are not alone anymore!!!

Dave ☺

Dear Dr. Ruxton

Dear Dr. Ruxton,

For the past seven years I have been an office manager at a practice that I think has great potential. I know that my doc could have a much more successful office, but I am not sure what to do to help that happen. I don't think he does either. He is clinically excellent, and his rapport with his patients is far above average, but he doesn't really do much more than the standard practice growth stuff I see elsewhere.

The office is also just kind of "blah" looking and not very exciting for patients. What can I suggest we do to take things to a higher level and become as great and profitable as I think we are capable of being?

*Sincerely,
Sarah from Sarasota*

Dear Sarah,

You ask a very good question, but I am afraid it might be a bigger one than you think. The main reason is because it may be possible your doc is happy with the status quo. Otherwise, why hasn't he made a change before this?

But let's assume the reason is simple and (in my opinion) even more common. He's in a rut and doesn't quite know how to shake things up to get out of it. Many docs I talk with tell me a similar story and it is also close to my own.

I started my practice decades ago with lots of ideas on how to do things better and more effectively than the offices I served as an associate. I really thought I knew a thing or two more about marketing than the guys I studied under in dental school. The instructors were

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great at stressing the importance of the clinical side of our profession, but went out of their way to avoid anything business related. Hell, I studied business marketing and management as an undergraduate and felt I was light years ahead of my classmates.

Yet there I was years later, in a rut. I didn't quite know I was in the rut for a long time, but just that things didn't seem right and I wasn't really satisfied with my practice. Then one day I ran into a friend from undergraduate school who was a business consultant. We talked for a long time and then he suggested that we take a week and let him spend time observing me in my office. (No, it wasn't free, but it was some of the best money I ever spent!)

For one week Jonathan silently walked through the office watching and writing notes in a plain legal pad. He didn't really talk with anyone. He just listened and watched and wrote. By the end of the week I had more great notes and summaries of every part of my practice than I ever thought possible. But it could really be summarized very simply in almost the same way my friend introduced his thoughts to me.

"To be successful, you need to determine what you want to do, then make every part of your life reflect that goal. Your office does not reflect your goals!"

That does not mean that you have to do what Dave Madow says he did years ago and repeat "I'm a WINNER, I'm a WINNER" every morning in the mirror. Let me put it in a simple example:

If you want to be the best dentist in your area, all you have to do is:

- Think the part.
- Dress the part.
- Act the part.
- Create a practice that reflects an atmosphere of success.
- Market your expertise every day in all sorts of ways that your budget will allow.
- Hobnob with the people in town you want to have as your patients.

Think the part.

Now, the first suggestion is possibly the toughest one to master. That is because you have to really make yourself believe that you are not only capable of the kind of success you aspire to, but that you will absolutely get there - in some way, eventually. This can be a very powerful thing since you and your doctor need to convince yourselves and the rest of the team that you are worthy and that this success is not just a goal, but a foregone conclusion!

Dress the part.

This one is easy enough to describe. If you want to be taken seriously by people, look like you should be taken seriously. You already know what kind of a look will engender a comfortable feeling about you to your patients. I don't need to tell you that if you look sloppy, and your team's teeth are not the greatest and most dazzling, then even nonpatients wouldn't consider coming to you!

Act the part.

Thinking the part and dressing the part can breed self-confidence. That self-confidence is attractive to most people on so many levels. BUT, make sure you don't let it get out of hand and turn into over-confidence.

I have seen many practices become very full of their success and then begin turning people off by their superiority complex. That kind of superiority is totally against an office attitude that is patient-friendly.

Remain friendly and enthusiastic about your office's abilities to perform the types of procedures you can be proud of. Never run late. Do community service cases, help steer your doctor and clinical staff toward the kinds of CE courses that make them the BEST in their field, and you will be able to back that confidence up with genuinely constructive emotion!

Your patients will see that and talk highly of you too!



Create a practice that reflects an atmosphere of success.

What does that mean exactly? It means that of all the types of practices there are out there, so many have the same style reception area, the same style operatories and an office that screams of being a clinical "me too" in a sea of them. Don't fall into the same décor scheme the rest of your competitors have in their practices. Be fun, be creative!

When I decided to do something about my office, I called a designing architect friend of mine named Jane Rohde who has redesigned several dental and medical offices. She had many thoughts on how my goals should be reflected throughout the style of my practice, and why my patients would react accordingly to how their surroundings made them feel.

Jane told me: "It seems that pediatric practices inherently understand this link between a patient's surroundings with their willingness to accept [and be comfortable with] the doctor and their treatment by him.

"Alternatively, a practice that does nothing different from everyone else a patient has seen in the past will be just as interchangeable. To stand out, a dentist must reflect how unique their practice actually is, and translate it to the patient in every way possible. The office itself is at the same time an obvious AND a subliminal reflection of the doctor."

I wasted no time in having Jane redesign my office to show that I catered to entire families, and she even worked different parts of an overall design scheme throughout my operatories and entire office. She did a fantastic job, and now there isn't a week that goes by without at least a few favorable comments from my patients.

Market your expertise every day in all sorts of ways that your budget will allow.

If you have not been reading this newsletter at any time over the past fifteen years, then I might forgive you for not knowing where to start

on this one. But if you have, then SHAME ON YOU! I can sum this one up very quickly.

Talk to the Madows about **Promail**, the folks at **1-800-DENTIST** about their many programs, your favorite Web designer to get your site as topnotch as possible, etc. If you are still using "word of mouth" as your entire marketing approach, then I will feel sorry for you when I am taking care of all your former patients!

Hobnob with the people in your town you want to have as your patients.

This is another easy one for those who have been reading this newsletter in the past. Become involved in the areas of your community where you want to most likely draw your patients from, or where the best new patient leads will be generated.

Another great pearl from the Madow's "**Love Dentistry**" one-day seminar is to go to a popular local spa and do a simple whitening treatment for their stylists and owners in exchange for their referrals. You can even work out a special rate for their referred patients. Make sure everyone around your practice knows that you are the right person to beautify their smiles because "so and so" down the street had it done last month!

Sarah, there are so many ways that you can help your doc to show off the great things your practice has going for it, but these are just a few of the immediate and basic suggestions. It doesn't have to cost an arm and a leg, and some of these may not apply to your office. But I bet a lot of it does.

Most importantly, get out of the rut by changing your mindset. Decide you want to get on the right road, and begin to steer toward it. I know you will make this a real turnaround year for yourself and your doctor. And Doctor, if you are also reading this, if the rest of your team is as enthusiastic as Sarah, making this happen should be easy for you!

Ruxton ☺

Dr. Ruxton welcomes all of your personal, personnel and professional questions. Simply email your question(s) to him at drruxton@madow.com.