

CORPORATE PROFILE

Synergy Dental Partners

Levels the playing field to keep solo practitioners competitive

Synergy Dental Partners is a national group purchasing organization (GPO) co-founded in 2010 by Richard Offutt, DDS, MS, and Mustafa Shah-Khan, DDS, for the benefit of independent dental practices. In 3 years, Synergy's footprint has grown to include practitioners in 40 states. The "Synergy Concept" originated during the recession when the two clinicians recognized that smaller practices were struggling to remain profitable.

"Our vision was all about preservation of the independent dental practitioner," explains Shah-Khan. "The genesis of our idea came from the fragmented nature of our industry. Five doctors in a town may all be paying different prices for same products. In the meantime, the corporate dental practices have the buying power to pay reduced prices for the same products.

"The question became: How can a solo practitioner like me stay competitive? One answer is controlling and reducing overhead costs. When we band together across the country and leverage our combined purchasing power, the savings are substantial."

The Synergy team structures cost-savings agreements with dental suppliers on behalf of its members. Members have peace of mind knowing that Synergy is helping them procure supplies as cost-effectively as possible.

"Synergy does not sell supplies," Shah-Khan explains. "Instead, we negotiate on behalf of our members to get better

deals from the companies that do sell them. By doing this, our membership enjoys savings ranging from 17% to 60% on all products." For operation costs, the organization receives an administrative fee from its vendor partners.

Members purchase the same supplies and brands they normally use directly from Synergy's suppliers and automatically receive the special pricing negotiated by Synergy. Synergy's partners only sell top quality products. Shah-Khan comments, "To be clear, Synergy's partners do not sell knock-off or grey-market products, as some other low cost providers do." The company charges no initial or membership fee—the program is free for all members. The primary reason for members to participate is that Synergy provides them with better values than they can obtain elsewhere.

The organization is happy to provide prospective members with a no-cost, no-obligation price comparison. "In fact, we encourage such price comparisons because we know that the Synergy programs will compare favorably," Shah-Khan explains. "We want Synergy to be a winning proposition for everyone involved. It has to be a mutually beneficial situation between Synergy, its members, and our vendor partners." In order to join, prospective members simply need to provide an executed Membership Application Form and proof of a dental license.

Unlike most GPOs, Synergy chooses a single supplier for each product or service

with which to form a strategic alliance—this allows Synergy to maximize the leverage necessary to negotiate with suppliers.

The organization vets prospective vendors thoroughly. "We only sign up vendors whose products we ourselves as dentists use or would recommend," Shah-Khan says. Going forward, he says the goal is to continue to add pieces to the portfolio that give value to members and offer increased profitability. For example, in 2014 Synergy is launching Synergy Card Services. "In conjunction with our partner Dental Card Services, we want to have a simple way for our members to save on their daily credit card processing. This is just another logical way to level the field for independent practices. It's our no-nonsense model. Everyone pays the same rate; there's no tier structure," Shah-Khan explains. "The processing savings can be up to 29%. Add that to the lower product costs, and the annual savings from membership can be amazing."

The next goal is adding targeted vendors, for example, a lab partner that has a core competence in digital dentistry. "Our membership base is younger practitioners who are tech savvy," Shah-Khan says. "We want to give them more affordable technology."

Bottom line, Synergy remains committed to representing the interests of and reflecting the voice of the independent dental practices. "No one wants the independent dental practitioner to go away," Shah-Khan says. "With Synergy you are no longer just a single practice, but part of a much larger organization whose consolidated volume exerts significant influence."

For more information and an updated list of vendors, visit:

thesynergydentalpartners.com