



Sellers market prevails in dental world

The ratio of goodwill to fee income for the average dental practice sold in the quarter ending 31 July 2012 has increased in the latest NASDAL goodwill survey. It has picked up by 10 per cent from 91% of turnover in the previous quarter ending April 2012 to 101% in the most recent collection of figures from NASDAL members.

An organization of accountants and lawyers who advise about 20% of GDPs, the NASDAL goodwill survey reflects a significant number of dental practice sales in any quarter. Percentage of turnover is the simplest method of measuring fluctuations of goodwill in the marketplace, but it is important to be aware that actual valuations are calculated using a combination of different methodologies.

Alan Suggett, a partner in UNW LLP in Newcastle upon Tyne who carries out the NASDAL goodwill survey, commented: "There is still upward pressure on goodwill values for most types of practice. Small and medium sized practices, both NHS and private, are in demand from associates who are, in some cases, desperate to own practices, and larger NHS practices are sought after by venture capital backed dental corporates.

Ray Goodman, of Goodman Legal commented: "The market may be buoyant but we are still seeing the effects of the recession. The length of time it is taking to sell a dental practice continues to grow because of the difficulty in securing loans from highly cautious lenders and also because of non-specialist advisors operating in the marketplace.

"Unfortunately," said Ray, "inexperienced lawyers are pitching in to find work in the dental market place and if you have someone who does not know what they are doing at the other end of a deal, it can slow everything down by weeks and even months."

Note to editors

For more information or to obtain photos or the logo of NASDAL, please contact Caroline Holland on 020 8679 9595/07974 731396 or email

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