



Simmons & Associates and the Simmons Educational Fund (SEF) are proud to offer the opportunity to compete for the SEF National Business Aptitude Award. The SEF has donated over \$2 Million to veterinary students through sponsorships and awards. We are committed to improving veterinary business education to meet the needs of tomorrow's practicing veterinarian. This award recognizes the future veterinarian with the business aptitude to succeed in this profession.

Requirements:

- Current VBMA member is strongly encouraged.
- A veterinary student graduating after January 2025 (ex. 1st through 3rd year students)
- Not a previous winner

In addition to the prestige of being a nationally-recognized award recipient, the winner of the national award will also receive the following:

- \$30,000 (there will also be a \$15K award given for 2nd place and up to six \$5K awards of merit)
- National award plaque
- A trip to the 2025 National VBMA conference to receive the award. This includes:
 1. Tuition to the conference if required
 2. Round trip coach airfare
 3. Lodging at one of the host hotels (up to 3 nights)
 4. A per diem to help cover cost of food and other incidentals

The recipient for the national award will be selected by an awards committee from the Simmons Educational Fund and will be based upon the following materials which you will need to submit:

1. Professional-quality résumé
2. Diagnose potential problems and provide solutions to a real-life business case study (see attached).

The deadline for the submission is September 30, 2024 and should be submitted to:

Simmons Educational Fund Awards Committee
ATTN: David F. King, DVM, CVA
1083 Wilson Rd
Whitewright, TX 75491

Please submit your entry in both hard copy and digital (PDF on CD or flash drive). Presentation will be taken into consideration. Please do not send your submission as signature required. All entrants will be notified by email a few days after the deadline. Please do not email prior to that for delivery confirmation. Send your entry in a way you can confirm delivery by the carrier if that is important to you. However, in addition to your hard copy, you may also email your entry to the address below and I will confirm receipt.

We encourage you to seek help from your mentors and other veterinarians. You may also contact me at david@simmonssouthcentral.com and I will be happy to offer what guidance I can. Good Luck!

Sincerely,

A handwritten signature in black ink, appearing to read 'David King', written over a light blue horizontal line.

David King, DVM, CVA
Simmons Southcentral
www.simmonsedfund.org

2024-2025 Case Study

After working as an associate for a successful practice for four years you're ready to commit to practice ownership. Your current salary is \$140,000 a year, which is high for the area and unlikely to rise faster than inflation if you remain an associate.

You've always dreamt of running a practice as an individual owner. Unfortunately, your current employer promised the practice to multiple associates who formed a partnership, so you reached out to a veterinary practice broker to help you find your dream practice.

After a long search you found a practice. While it is not in your target area, it is an opportunity for which you are willing to relocate. While you wanted a multi-doctor practice, this is a solo practice and the owner is willing to stick around part-time. The practice owner also owns the real estate and is willing to sell it with the practice.

Details

The demographics in the area are already favorable for practicing high quality veterinary medicine as the other practices in the area all seem to offer high quality medicine. Another plus is that the household growth projections for the community out-pace many of the surrounding areas.

In talking to the owner and examining the practice's financials and operations, you've found that this practice also provides high quality care and it would not need substantial equipment investment. However, it has above average inventory and staff costs. It also does not offer any unique services or customer care to distinguish itself from the surrounding practices.

A reputable veterinary lender has approved you for the practice loan and the real estate loan – you have 100% financing with no money down. The projected cash flow after making the loan payments on the practice and the real estate, you would have \$130,000 for your household.

Assumptions

The practice and real estate prices are non-negotiable and according to your advisors they are fair. You agree with the after-debt income estimates provided by your advisors.

You don't expect your partner/spouse to have trouble finding employment in the area

You trust your veterinary lender and do not need to seek others.

Your Mission

Based on the scenario and details above, address the following (and any other discussion points you deem important) in whatever format you deem appropriate.

- *Does purchasing the practice makes financial sense even though your after-debt income will be lower than your salary as an associate?*
- *What steps would you take to determine if this practice would make a sound financial investment?*
- *What are the potential risks and rewards of buying a practice like this and what strategy would you use to minimize the risks if you purchased it?*

Among other things, you should consider how to improve the practice's profitability and how to deal with the staff costs without damaging morale. You may also want to consider things you could do to make your practice "stand out from the crowd."