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With the creation of a new enterprise called **Cataldo Practice Transitions**, the principals of **Cataldo Financial & Consulting Group** extend their commitment to helping dental practices maintain their profitability from the first day in business to the last.

page 54

Personal Touch

With the creation of a new enterprise called Cataldo Practice Transitions, the principals of Cataldo Financial & Consulting Group extend their commitment to helping dental practices maintain their profitability from the first day in business to the last.

by BILL DONAHUE | photography by JODY ROBINSON

Many dentists spend the entirety of their working lives building reputable practices that stand as pillars of the community. Naturally, when a longtime practitioner decides it's time to step away from the chair and retire, he or she hopes to sell the practice at a price that reflects its true value. At the same time, the practitioner wants the confidence of knowing he or she is handing the reins to a highly qualified, carefully vetted buyer.

This is precisely why an increasing number of dentists in the Greater Philadelphia Area and across the country are seeking out Cataldo Financial & Consulting Group, which is based in Jamison.

In 2017, Cataldo Financial & Consulting Group launched Cataldo Practice Transitions LLC to accommodate the increasing demand for dentists seeking guidance through practice purchases, sales, and other significant transactions. As a result, the firm can fully and ably represent a client "from womb to tomb," as the firm's principals like to say.

With each client, the firm takes a three-pronged approach to selling a practice at a value that reflects the practice's unique assets and status in the community: personalized service; access to a network of private and corporate buyers; and accurate business valuations based on the firm's many years of experience on the financial side of the dental industry.

"We start with what the client wants, and we use that as a guide in matching the needs of the buyer with the needs of the seller," says John S. Cataldo, CPA, who joined the firm in 2010. "Because we're a family firm, and because of the contacts we've built, we're able to actively go out and seek buyers we know in the market."

Rather than posting a prospective sale to a static website and waiting for the phone to ring, Cataldo Practice Transitions employs a proactive and targeted marketing strategy for each transaction.

"We recently helped a dentist on the Main Line sell his practice," says Angelisa M. Cataldo, CPA, who joined the firm in 2011 after graduating from



Cataldo Financial & Consulting Group includes (left to right) John S. Cataldo, CPA (holding Sophie), John P. Cataldo, CPA, and Angelisa M. Cataldo, CPA (holding Noel). In 2017 the firm launched Cataldo Practice Transitions LLC to guide dentists through practice purchases, sales, and other significant transactions.

Penn State University as class valedictorian. “The practitioner had a highly specialized practice and a lot of personal goodwill. There was a limited market because of his specialized expertise, but we were able to target specific markets with his skill level. Through our connections with dental bankers, dental attorneys, dental sales representatives, and our database of dentists seeking practices, we were able to personally contact the buyer.”

The practitioner had spent significant time and effort trying to sell his practice, yet John S. says Cataldo Practice Transitions succeeded in finalizing the sale in a few months.

“We went the extra mile,” he adds. “The buyer had the experience and the skills to take over the practice, and the seller had the confidence to know that what he had built was in good hands. My father has 30-plus years of experience, and my sister and I have 10 years each. In that time we have built a lot of connections, ranging from attorneys, bankers, and investment advisors, which has helped us gain access to qualified buyers.”

Richard Cavanaugh, D.D.S., can attest to the firm’s expertise in matters of business succession. When he decided to sell his

turned to me and said, ‘In my 20-plus years of doing these transactions, this is the smoothest one I’ve ever done.’ That says a lot about the honesty, fairness, and level of service John and his family provide.”

Adding Value

Dr. Cavanaugh has been a client of Cataldo Financial & Consulting Group since the firm’s founding more than 30 years ago. Throughout his career, Dr. Cavanaugh has sought the firm’s informed perspective on tax planning, practice management, and overall profitability. Today he considers John P. not only a trusted business adviser but also a close friend.

“He’s saved me a lot of sleepless nights,” says Dr. Cavanaugh, now 77 and retired. “The value they provide goes beyond the practice. The whole family is extremely honest and fair, and they’re there to help you in all tax and accounting matters to the best of their ability. Their fee is very little in relation to what they can save you, because they’re always looking over your shoulder.”

Dr. Cavanaugh is one of the more than 200 dental professionals in the Greater Philadelphia Area and across the country who utilize the specialized accounting, tax, and consulting services of Cataldo Financial & Consulting Group; most of these clients have come to the firm by way of referral. Whether someone requires basic tax and accounting services or something more complex, Cataldo Financial & Consulting Group strives to help each client establish and maintain a profitable practice from the first day in business to their last.

“There are many CPAs in the area that can do tax returns, and we can, too, but we can also provide specialized advice on a myriad of different aspects of their business,” says John P. “Maybe someone is consid-

ering bringing on a new associate, hiring new staff, or acquiring new dental equipment. We can give them the bird’s-eye view based on our significant experience to assist them in making good financial decisions.”

One might say the firm specializes in helping clients contend with any issue that can affect a practice’s profitability. This begins with selecting the most appropriate



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—DR. RICHARD CAVANAUGH, A LONGTIME CLIENT OF CATALDO FINANCIAL & CONSULTING GROUP

Doylestown-based dental practice approximately five years ago, the firm—particularly its founder and president, John P. Cataldo, CPA—played an integral role.

“He was completely involved in the sale,” recalls Dr. Cavanaugh, who spent more than 50 years in practice as a general dentist and prosthodontist in Bucks County. “When we were at the meeting to finalize the sale, the gentleman who represented [the buyer]

business structure for a practice, a decision that not only has tax implications but also can affect the level of control and management an owner and his or her partners have in a practice.

Patient insurance has become a material part of the dental practice today. The decision to join or eliminate an insurance carrier has a major impact on a practice’s profitability. The firm has developed a proprietary analysis tool to help practices determine whether participating in certain insurance networks will help or hurt profitability.

“We like to say we can work with our clients from womb to tomb,” says John S., who graduated Magna Cum Laude from Widener University in 2010, and two years later won Widener’s Raymond J. Locke Professional Achievement Award. “From their first day in business to their last day, we can take care of all their financial needs.”

Dr. Cavanaugh may no longer practice dentistry—“time to slow down,” he says—yet he maintains close ties with the Cataldo family. John P. continues to advise him on financial matters, while Angelisa does the same for his daughter, who lives in London.

“I’m still working with John even though I’m no longer practicing,” says Dr. Cavanaugh. “I think I’ll be working with him until the day I die.” ■