



TEXAS STATE OPTICAL

Since 1936

Top 10 mistakes to avoid when starting a new practice





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About Texas State Optical

The legacy of Texas State Optical which was founded in 1936 continues with a new generation of young, professional optometrists who wish to own their own private practice.

TSO, Inc. provides support and resources to enable doctors to concentrate on patient care. Working in partnership with TSO Management Services, Inc., the owner can have confidence that the day to day operations of the practice is professionally managed.

TSO, Inc. provides the members of its network with education and training of staff, deep vendor discounts through purchase agreements with vendors, cutting edge digital platforms and effective marketing, real time analytics of revenue activity and production and a full-time operations consultant to assist in setting and reaching goals.

TSO, Inc. is a member-owned cooperative, meaning its members also own the company. This benefits its doctors through low cost of membership since a cooperative is not designed to make money for a small group of owners. As shareholders in the company, the doctors also have the opportunity to be an active part of the company leadership.



About John D. Marvin, President



John D. Marvin has served as President and Chief Executive Officer of TSO, Inc. since January, 2001. Texas State Optical (TSO) is a member owned cooperative consisting of 120 independent, professional optometry practices located throughout the state of Texas.

Having worked with TSO since 1992, Mr. Marvin was instrumental in the company's restructuring from a franchisee organization to a member-owned cooperative in 2001 and since that time he has led the renaissance of the company as a membership Network offering support, resources and brand management to its members. In 2011, Texas State Optical was named the tenth largest provider of eye care services and eye wear in the United States.

During his time as President, Texas State Optical has assisted almost 100, young optometrist open and build their new practices. The support and assistance offered by TSO, Inc. enables the average new start-up to reach one million dollars in sales in the first five years.

Your Next Step

Click below to schedule a phone appointment with Mr. Marvin to discuss how Texas State Optical can help you reach your professional and financial goals through ownership of your own, private practice.



Schedule a Phone Call to Learn More



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Top 10 mistakes to avoid when starting a new practice

1 Being indecisive

Owning your own business is challenging and should not be taken lightly. The individuals who are successful have a 100% confidence in their desire to own their own practice. Spend time talking to someone who has done what you are considering to do, to learn if you have the necessary commitment to build a successful practice.

2 Listening to the wrong people

There is a lot of free advice out there but you should not listen to people who are not successful. If you are listening to a fellow optometrist who has had their practice for five years or more and are not doing at least \$1 million dollars in sales, they do not know how to build a successful practice.

3 Not spending enough money

When it comes to opening your practice, you will need to invest an adequate amount of money to build a successful practice. This is not a project to under finance. There is a lot of areas where it is tempting to try and cut corners and go on the cheap. Smart doctors know they are investing in themselves and their future.

4 Picking the wrong location

There are a lot of decisions involved in opening a new practice. Most of these decisions can be corrected if made wrong. However, picking the wrong location is not one of them. When you sign a long-term lease, you are there for the duration or you will pay for the duration. Selecting the correct location is one of, if not the most important decision you make when opening your own practice.

5 Leasing too small a space

Today's consumers have expectations about the type of places they like to shop and buy. It is no different with an optometry practice. The large majority of revenue in an optometry practice comes from the retail optical dispensary. Not designing a space that is focused on retail sales, is a sure way of limiting the income of the practice and the income of the doctor.

6

Not investing in the design

An area where first time practice owners make a mistake is not investing in a business oriented design. Some will have a friend who is an interior decorator help them come up with a design, or someone who does commercial design but has not designed an optometry office or retail store before. An optometry practice is first and foremost a business and largely a retail business. The environment that is created must encourage people to want to buy.

7

Paying too much rent

Most optometrists who are opening their first practice have no idea of what they should pay for leasing space for their practice. Landlords know this and take advantage of doctors all the time. One way that optometrists try to compensate is to reduce the size of the space they will lease. Wrong, see mistake #5. The successful practice will negotiate the right rent amount not only for the start of the lease but in the outer years as well.

8

Picking the wrong equipment

This mistake happens in that either the doctor doesn't purchase enough equipment to start their practice or they purchase too much. Believe it or not, this is another area that first time practice owners try to go on the cheap. You hear these doctors say, "I have a friend who is selling some of his old equipment and I can equip my office for a lot less money." Or "I can purchase refurbished equipment for a lot less money." These are your most important tools of your profession. You wouldn't hear a world-class chef talk about purchasing cheap cutlery. This is how they make their living.

9

Selecting the wrong inventory

As mentioned before, the vast majority of the revenues generated in an optometry practice are from the retail optical dispensary. It is critical that the right inventory is on display and purchased at the right price. Too often, doctors opening their first practice buy what they think people want to purchase. They are buying from too many manufacturers and also purchase a few frames within a brand. They either purchase too much inventory or too little. Frames are priced due to using an out of date multiple of cost. Buying the wrong inventory is an expensive mistake to make.

10

Hiring the wrong people

One of the most important decisions when opening a new practice is to hire the right people and pay what they are worth. A new optometry practice depends on its people and their ability to care for patients. Not hiring enough staff or the right candidates is an important part of building a successful practice. Once hired, the staff must be trained to a set of standard operating procedures. They must undergo continual training and development. After all, an office's personnel is the only asset that can appreciate in value.