

# Ownership - The road less traveled and it has made all the difference

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## Abstract

Finding the right first job is a good feeling. However, even though it might be the right first job, it may not be the forever job. The most important thing is to be true to yourself and listen to your “gut”. Do you truly know what you want, do you want to be an owner? Do you want to be in a group practice or solo? Do you want to be in THIS practice? Once you can answer these questions, it is important to know that being an owner takes time. There are risks, benefits, rewards and responsibilities. My philosophy on ownership is that as an owner I may work *more*, not less, because it is MY business, MY clients, MY reputation, and MY profit on the line. Being an owner doesn't mean you can take off whenever you want and leave the rest to the associates and staff. Being an owner means you may work weekends on building maintenance, office work or covering for a shortage. The clinic's success is dependent on you and those who work for you. Ownership is not necessarily a smooth, easy or straight road. There are bumps, frustrations, risks and rewards along the way and there are hundreds of different ways to get there. The income, responsibilities, equity and even challenges have allowed me to become a better person, manager and veterinarian for my clients. I'm better able to help my clients with their businesses and be a stronger leader for them, my employees and even AABP. Ownership seems to be a road less traveled, but it has certainly made all the difference in my life.

**Key words:** practice management, practice ownership

## Résumé

Trouver le bon premier emploi est une agréable sensation. Toutefois, bien qu'il puisse être le bon premier emploi, ce n'est pas nécessairement le dernier. Il est donc important d'être honnête avec soi-même et de suivre ses instincts. Est-ce que vous savez vraiment ce que vous voulez? Est-ce que vous voulez être propriétaire? Est-ce que vous voulez faire partie d'une pratique avec des partenaires ou en solo? Est-ce que vous voulez faire partie de CETTE pratique? En attendant de répondre à ces questions, il est important de savoir que devenir propriétaire prend du temps. Cela comporte des risques, des bénéfices, des récompenses et des responsabilités. Ma philosophie de la propriété est qu'en tant que propriétaire il se peut que je doive travailler plus et non pas moins car MON entreprise, MES clients, MA réputation

et MON profit sont en jeu. Être propriétaire ne veut pas dire qu'on puisse s'absenter à tout moment et tout laisser au soin des partenaires et du personnel. Être propriétaire demande qu'on doive parfois travailler la fin de semaine pour faire l'entretien des bâtiments, du travail de bureau ou remplacer du personnel. Le succès de la clinique dépend de nous et des autres qui travaillent pour nous. Être propriétaire n'est pas nécessairement un chemin sans embuches, facile et en ligne droite. Il y a des accrochages, des frustrations, des risques et des récompenses en cours de route et plusieurs façons de se rendre à destination. Le revenu, les responsabilités, le capital et même les défis m'ont permis de devenir une meilleure personne, un meilleur gestionnaire et un meilleur vétérinaire pour mes clients. Je suis mieux en mesure d'aider mes clients et leurs entreprises et d'être un leader plus fort pour eux, mes employés et même l'AABP. Être propriétaire semble un chemin moins fréquenté, mais cela a fait toute la différence dans ma vie.

I grew up on a dairy farm in Vermont, and knew from a young age that I wanted to be a veterinarian. It wasn't until high school and college that I knew that I wanted to be a dairy veterinarian. When I began looking at undergraduate colleges, I was looking only at those with a veterinary school or colleges that had some type of relationship with a veterinary school. I settled on the University of Wisconsin-Madison, and began the rigorous path of pre-veterinary education. It wasn't long into my first year that I decided that maybe I didn't want to spend 8 more years of my life in school. Maybe I would be content as a herdsman on a large dairy. I changed my focus and even changed my school. After 2 years, I transferred from UW-Madison to Cornell University where I completed my degree in animal science, and took a job as a herdsman on a 600-cow dairy.

About a year into my job, I realized that the desire to be a veterinarian was returning. So, I set off to finish the prerequisites I needed to apply to vet school and successfully began my vet school career at Purdue University. Being a dairy veterinarian was still the primary focus, and all my externships were geared to getting as much dairy experience as I could. I tried the large dairy experience in California, I tried the mostly dairy experience in Upstate New York, and made a point to attend Cornell's Summer Dairy Institute. I even had the opportunity to spend some time with an embryo transfer vet in Indiana—all things that I knew I had an interest in pursuing.

When it came time to apply for jobs, I knew the California thing wasn't for me. I had my sights set on the Northeast and somewhere within driving distance to my family in Vermont. My interviews and job offers came from Pennsylvania, 2 different clinics in northern New York, and 1 practice in Canada. For reasons I will never understand, the lowest paying job, with required small animal work, seemed to be the job that just felt right. So, off to Canton, NY I went. About a year and a half into my first job, I was starting to feel that I needed something different. I really did not enjoy the small animal work and emergencies, and I was beginning to feel that I needed a different work environment. I had no social life outside of work and it was starting to wear on me. My need to move on became crystal clear to me when my bosses asked me if I wanted to buy into the mixed animal practice. The rock in my stomach gave me my answer. I knew I wanted to be an owner someday, but this wasn't the practice that I felt was "mine." After 2 years into the job, I was browsing options and came across an AABP ad at Battenkill Veterinary Bovine in Greenwich, NY. Battenkill Bovine was an all-food-animal practice in the heart of Washington County where I knew I had Cornell classmates, a booming dairy industry, more opportunities for social interactions, and was 2 hours closer to family.

I started at Battenkill Veterinary Bovine on January 1, 2012. At the time there were 6 owners and 4 associates. However, only 2 of the 6 owners were working in the bovine practice. Here's a little history about the practice. In 1979, Battenkill Veterinary Clinic started as a mixed-animal practice. By 1996, Battenkill Equine had built their own building next door to the small-animal clinic but retained ownership in both practices. The food animal portion of Battenkill Veterinary was operating out of the basement of the small animal clinic. It wasn't until 2001 that what is now known as Battenkill Veterinary Bovine, built their own building around the corner from Equine and Small Animal. Again, of the 6 owners of all the branches of Battenkill Veterinary Clinic; small animal, equine, and bovine, only 3 were involved in the bovine sector, and 1 of those 3 had all but retired. Of the other 3 owners not directly involved in the bovine practice, 1 was spending 100% of his time doing Spanish translation and consulting with Cargill, 1 owner was only working at the neighboring Battenkill Equine Clinic, and 1 owner was only working at the neighboring Battenkill (small animal) Veterinary Clinic.

After 2 years at Battenkill, I again was feeling like something needed to change. I was struggling with some of the personnel at the clinic and was getting frustrated with the scheduling and some of the daily operations of the clinic. I knew I loved the area, loved the clients I was working with, and had a pretty loyal client base. After some serious soul searching, I was contemplating leaving the group practice and going out on my own in the same area. My biggest hang-up was being on-call 24/7/365. I had been recently elected as the District 1 Director for AABP, enjoyed weekends camping,

time out on the lake, and traveling. If I was a solo practitioner, I knew my time away from work was going to be limited. The anxiety of being tied to a pager or cell phone all the time was too much. However, I continued to pursue my option of going solo. I had priced equipment, started looking for a truck, and was mentally preparing myself for some tough conversations.

As I left the office on a Tuesday afternoon, heading for the airport for the 2014 AABP Conference in Albuquerque, NM, 1 of the managing partners followed me out the door to my truck. After business had slowed and health issues had arisen, this partner was looking at alternative career options. He presented me with the offer to buy him out of the practice. At the time no price was given, it was just something to think about. With my head spinning, I set off for the AABP Conference. Fortunately, while at the conference I was able to pick the brain of several colleagues on how to go about such a thing and help sort out if this was something I even wanted to pursue.

I started attending the managing partner meetings on Monday mornings at 6 am. It gave me a chance to get my feet wet on what was going on, how they were dealing with certain things, and start to get a feel for management. After about 3 to 4 months, I still had lots of emotions and mixed feelings on the subject. When the price to buy in was given to me, I discussed it with my parents and a few close friends. Previous partners had bought in for a significantly greater amount of money. Thinking that this was a "good deal" I decided that it was worth it, even though I had reservations.

There were 2 concerns that I had, and made the managing partners aware of, before agreeing to buy 1 of them out. These concerns were 1) a long-time employee that was very difficult to manage and work with and 2) there were 3 other partners (the 6th had been bought out the year I started) that were collecting a paycheck yet had no idea who even worked in the practice. Part of me agreeing to buy a managing partner out was that the other 3 partners also had to be bought out and the difficult employee was going to have to be managed differently. With some hesitation, the current partners agreed to my request and started the ball rolling.

On July 16, 2015, I closed on the loan to buy out 1 of the managing partners of Battenkill Veterinary Bovine (BVB) and his share of the building—Battenkill Bovine Properties LLC. The other 3 silent partners were also bought out by the businesses (BVB and Properties), and their shares were returned to the business. Myself and Dr. Melissa Murray were 50/50 partners of both BVB and Battenkill Bovine Properties LLC.

Now, almost 3 years into being a practice owner, I have learned a lot, been frustrated, been proud, been excited, and been scared. Paying back a 10-year loan with variable interest can seem daunting, especially with \$250,000 in school loans to pay back as well. However, the increased revenue from being an owner and receiving increased percentages of production as compared to associates, as well as being able to take a draw from the business as well as the income from the ownership of a building (Properties), has allowed me to

pay this loan as well as buy a house, and live a comfortable lifestyle. Although the draw the second year was not as big as the first year due to low milk prices, resulting in a loss of income to the business, the income is still there.

Another benefit is that I am the “boss.” If something isn’t going the way I like it, I can change it. For example, there was no absence policy in place. Doctors would just take days off when they wanted with little regard to other doctors’ schedules. Now, you need to submit a request for time off, and it needs to be approved by myself or my partner to ensure that we have appropriate coverage and we are aware of these days off in a timelier manner. Another change we have been able to implement is the ability to make financial changes and investment changes without having 6 different people’s input. Melissa and I both have an interest in embryo work. With only 2 partners, we were able to decide that getting trained in ovum pick up and IVF was an investment that we wanted to make for the practice, and so we did.

As mentioned earlier, I am currently serving as the District 1 Director for AABP. Being an owner has made it easier to serve in this capacity. For example, because I get paid a higher percentage production than associates, I am still able to attend conferences and board meetings and still be financially stable. I’m not sure this would be the case if I was an associate. Secondly, I can take the time needed to serve with an understanding from my business partner that this is good for the clinic and for our clients. I am often able to bring industry concerns directly from the boardroom to the doctors in the clinic, and to our clients in a timely manner. As an owner, I can “pull rank” and take the days off needed to serve in this capacity, and there are associates in the practice that can fill in when I’m away.

Learning some of the business aspects of the business was a challenge, but with help from family, friends, our accountant, and my business partner, it was doable. I had taken agribusiness classes in college and knew the basics, but beginning to understand the rest was a steep learning curve. There are still things now, 3 years in, that I am learning and still trying to figure out.

By far the most difficult part of being an owner is the personnel management. I became the “boss” of employees that were 20 years older than me, and had been there almost 20 years longer than me. This change in management takes

some getting used to on EVERYONE’S part. Luckily, Melissa, my business partner, understood this and was supportive of my new ideas and philosophies on management. Personnel challenges is 1 area that I continue to struggle with and have sought out classes, books, talks, and even podcasts to help. I have messed up, I have made some employees angry, and I have done things that I thought were the right thing to do but were not. These are things that I believe every business owner does. The best way to learn is by making mistakes. As a fiercely independent person, it takes a conscious effort to work and operate as part of a team and think about what is best for the team, for the business, and not necessarily for myself.

One of the other challenges is that we are a practice that relies 98% on dairy farms as our income source. When farmers are struggling, so is the practice. We could continue to raise fees to help increase revenues, but with 10 other veterinarians in a 20-mile radius you can easily price yourself out of work. We need to remain competitive and continue to provide services that the other solo practitioners in the area do not. In doing this, we have had some clients come back to our clinic after time away with 1 of the other solo veterinarians in the area.

Being an owner takes time. You must be willing to put in the time, take the responsibilities, both good and bad, and make the commitment. There have been Saturdays when I’m not on call that I’m at the office working on some landscaping, or cleaning out old files or doing office work. Those are Saturdays that I would love to be doing something else, but Battenkill Bovine is my business and my responsibility. If I’m going to reap the rewards of owning my own business, then I must accept the responsibilities that come with it.

It seems that fewer veterinarians are becoming owners today than there were 20 or 30 years ago when most veterinarians owned their own business. Taking this challenge and responsibility was intimidating at first, but I am so thankful I took the plunge. The income, responsibilities, equity, and even challenges have allowed me to become a better person, manager, and veterinarian for my clients. I am better able to help my clients with their businesses and be a stronger leader for them, my employees, and even AABP.