

The Wisdom Tooth:
A Dental Industry
Newsletter

Publicly Traded Dental Related Company Performance

(\$ in millions, except per share data)

Company	Share Price 04/30/2020	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY18 P/E	Gross	EBIT	EBITDA		
Align Technology	ALGN	\$214.85	64.2%	\$16,921	\$16,184	6.7x	31.1x	31.1x	9.0x	54.7x	72.5%	22.9%	26.1%	(1.3x)
Dentsply Sirona	XRAY	\$42.44	69.7%	\$9,295	\$10,492	2.6x	15.1x	28.2x	36.3x	NA	53.7%	9.2%	17.3%	1.7x
Henry Schein	HSIC	\$54.56	73.7%	\$7,789	\$9,600	1.0x	10.7x	13.4x	11.6x	30.4x	31.0%	7.2%	9.0%	1.0x
Envista Holdings	NVST	\$19.47	58.5%	\$3,100	\$4,429	1.6x	9.9x	15.9x	12.2x	NA	55.0%	10.1%	16.2%	3.0x
SmileDirectClub	SDC	\$7.72	36.6%	\$2,972	\$2,987	4.0x	NA	NA	NA	NA	76.2%	(69.3%)	(65.6%)	0.2x
Patterson Companies	PDCO	\$18.28	71.1%	\$1,751	\$2,415	0.4x	11.8x	19.6x	36.6x	13.3x	21.6%	2.2%	3.6%	3.2x
Milestone Scientific	MLSS	\$1.69	60.4%	\$93	\$91	10.9x	NA	NA	NA	NA	68.3%	(91.3%)	(88.2%)	0.2x
Apteryx Imaging	TSX:XRAY	\$0.27	72.6%	\$11	\$12	0.8x	12.1x	481.8x	NA	NA	67.2%	0.2%	6.2%	(1.7x)
Mean				\$5,241	\$5,776	3.5x	15.1x	98.3x	21.1x	32.8x	55.7%	(13.6%)	(9.4%)	0.8x
Median				\$3,036	\$3,708	2.1x	12.0x	23.9x	12.2x	30.4x	61.1%	4.7%	7.6%	0.6x
High				\$16,921	\$16,184	10.9x	31.1x	481.8x	9.0x	54.7x	76.2%	22.9%	26.1%	3.2x
Low				\$11	\$12	0.4x	9.9x	13.4x	9.0x	13.3x	21.6%	(91.3%)	(88.2%)	(1.7x)

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Largest Dental Movers and Losers (largest % changes in the month of April)

	April 2020	LTM	
SmileDirectClub	65.3%	NA	[NONE]
Milestone Scientific	35.2%	NA	
Envista Holdings	30.3%	NA	
Apteryx Imaging	29.5%	NA	
Align Technology	23.5%	(33.1%)	

Recent Industry News



Pacific Dental Services Launches Teledentistry Platform

April 2, 2020 - Irvine, California-based Pacific Dental Services announced the launch of a teledentistry platform. The platform is available to anyone with a smart phone, tablet or computer. After logging into the platform, patients will consult with a PDS-supported dentist that will review the patient's symptoms through a live video. If the patient needs to be treated in-person, the dentist will schedule an appointment the same day. The platform was created with RingCentral, a provider of cloud communications. Pacific Dental Services is among the largest dental service organizations in the country with more than 800 affiliated practices in 22 states.



SmileDirectClub Opens Teledentistry Platform to All Dentists, Orthodontists

April 6, 2020 - As many dental offices throughout the country have postponed all non-essential appointments due to the COVID-19 pandemic, SmileDirectClub announced that it will open its teledentistry platform to all licensed dentists and orthodontists. The platform supports video and live chat capabilities. Dentists and orthodontists who are not affiliated with SmileDirectClub can use the platform free of charge to communicate with patients. SmileDirectClub also created a referral network that gives dentists the opportunity to connect with new patients. The Company has plans to distribute complementary 3D printed face shields to providers for emergency dental care.

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New Dental Licensure Exam to Launch in June

April 7, 2020 - The Joint Commission on National Dental Examinations plans to launch a new clinical licensure exam in June. The new exam assesses clinical judgment in the following areas: restorative dentistry, prosthodontics, oral pathology, pain management and temporomandibular disorders, periodontics, oral surgery, endodontics, orthodontics, medical emergencies, and prescriptions. The Joint Commission plans to hold informational webinars regarding the exam and will answer questions before the release of the new program.



University of North Carolina Dental School Launches Teledentistry Platform

April 7, 2020 - Chapel Hill-based University of North Carolina Adams School of Dentistry has opened a teledentistry platform for patients and providers. Patients can virtually connect with a dentist who will provide advice on how to treat non-emergency oral health needs. Also, if required, the dentist can refer a patient for emergency services. Dentists can also use the virtual platform to connect with specialists for specific patient consultations or referrals during emergencies.



Louisiana State University School of Dentistry 3D Prints Equipment for Front-line Providers

April 7, 2020 - The Louisiana State University School of Dentistry in New Orleans has launched an initiative to 3D print personal protective equipment for front-line workers. Currently, the school has developed a prototype of an N95 mask that is made of a complex polymer. This 3D-printed mask can be disinfected and reused.



Dental Accreditation Site Visits Delayed to 2021

April 8, 2020 - The Commission on Dental Accreditation is rescheduling all remaining site visits to 2021 due to the pandemic, including regular/reaccreditation and special focused site visits. Programs that paid a fee for a 2020 site visit that did not occur will be refunded. The commission will not be processing accreditation applications until further notice. The next site visits for every CODA-accredited program, except those already visited in 2020, will be shifted forward by one year. Special focused site visits and application site visits are postponed until the next earliest opportunity.



Dental Care Alliance Launches Teledentistry Platform

April 9, 2020 - After launching its teledentistry platform in late March, Sarasota, Florida-based Dental Care Alliance has treated more than 1,400 emergency dental patients through the virtual service. Dental Care Alliance supports more than 325 affiliated practices across 20 states. Many of these practices have closed or are severely limiting their services. To go one step further, Dental Care Alliance has also partnered with local emergency rooms and urgent care centers allowing them to refer patients who present with dental emergencies.



DSO Unveils 24-hour Dental Consultation Hotline

April 10, 2020 - Boston-based DentaQuest has created a 24-hour dental consultation hotline. The service is free to callers who can receive guidance and referrals to local providers for emergency services. DentaQuest developed the hotline to avoid disruptions in care that may otherwise send patients to overwhelmed clinics and hospitals. The hotline is available to 24-hours to patients in Oregon. Other hotlines have been created for patients in Texas, Alabama and Kentucky.




Onsite Dental Launches Teledentistry Platform for Emergencies

April 13, 2020 - Irvine, California-based Onsite Dental has partnered with Virtual Dental Care to implement the Company's Teledentix platform. The HIPAA-compliant platform, allows Onsite Dental's affiliated dentists the ability to treat patients with emergencies, including swelling, infections and staining. Dentists can then give patients instructions regarding at-home treatments. Onsite Dental brings comprehensive dental care directly to workplaces to help employees improve oral health.



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Kansas Dentist Creates Nasal Swabs for COVID-19 Tests with 3D Printer

April 15, 2020 - Kory Kirkegaard, DDS, is using the 3D printer at his practice to create nasal swabs for COVID-19 tests. Dr. Kirkegaard is a dentist at Overland Park, Kansas-based The Art of Dentistry. With his practice closed except for emergency patients, Dr. Kirkegaard has transitioned to assist healthcare workers. Kansas health officials are looking to purchase nasal swabs from dental offices with 3D printers in an effort to increase the state's COVID-19 testing capacity. The first swabs will be used at drive-thru testing sites.



ADA Creates COVID-19 Recovery Task Force

April 16, 2020 - The American Dental Association has assembled a task force to help dentists bounce back after the COVID-19 pandemic. Many dental practices have implemented restrictions or completely closed because of the COVID-19 pandemic. The ADA has recommended practices keep their offices closed through April 30. The Advisory Task Force on Dental Practice Recovery will work to help dentists get back to work while also protecting patients, office staff and themselves. The task force is composed of practicing dentists and ADA experts. Rudy Liddell, DMD, and Kirk Norbo, DDS, serve as co-chairs.



Kentucky Dental Practice Furloughs More Than Half of Workforce

April 17, 2020 - Louisville, Kentucky-based Mortenson Dental Partners has furloughed more than half of its workforce. The dental practice has postponed all non-essential dental procedures due to the coronavirus pandemic. As a result, Mortenson Dental Partners has seen its patient count decline 90 percent. Employees will be furloughed for 90 days, when the practice will hopefully be able to resume operations.



UCLA, ClearChoice Work to Relieve PPE Shortage in Hospitals

April 21, 2020 - Greenwood Village, Colorado-based ClearChoice Dental Implant Centers has joined an effort led by the School of Dentistry at University of California, Los Angeles, to address the national shortage of personal protective equipment. UCLA is acting as a supply distribution center for hospitals around the U.S. The University is also repurposing digital printers to produce PPE. ClearChoice has coordinated a donation of surplus PPE from its network and is also using digital printers for supply production. In March, ClearChoice realigned services in all 63 of its centers to focus on urgent dental needs and reduce the number of unnecessary emergency room visits to hospitals during the pandemic.



Utah Governor Reopens Dental Offices, Unveils COVID-19 Tracking App

April 23, 2020 - On April 22, Governor Gary Herbert announced dental offices in Utah can immediately reopen. The new order requires patients' temperatures be taken before entering a healthcare facility. Only one visitor is allowed per patient, and everyone is required to wear a mask, except the patient when a procedure is occurring. Officials also unveiled Healthy Together, a free smartphone app developed to help users know if they come into contact with anyone infected with COVID-19.



Dental Services May Resume Soon in Kentucky, but Practices Lack Safety Equipment

April 27, 2020 - On April 23, Kentucky Governor Andy Beshear and Health Commissioner Steven Stack, MD, outlined guidelines for allowing non-urgent healthcare services to resume in the state, including dental offices. The state will allow dental offices to re-open with "enhanced protections," that include wearing surgical and procedural masks and limiting the number of people in the building. Visitors will not be allowed in most situations and the practices will need to coordinate an alternative to waiting rooms. In some cases, patients may wait in their vehicles instead of the building. Dr. Stack also gave guidance around having employers screen for temperatures when new people enter the building and develop a plan for workplace sanitation. There are stricter guidelines for high-touch settings. The guidelines mean dental offices may need to wait several weeks before re-opening, according to an ABC report. Dental practices still need to meet the Kentucky Board of Dentistry and Department for Public Health guidelines to have the proper equipment before re-opening, which means acquiring N95 masks. Dental practices have additional considerations because performing dental services and procedures often means spraying saliva particles into the air.



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Sources include beckersdental.com, PitchBook and various publicly available news publications.

Additional information is available upon request.