

Real Deal vs Dust Collector: Lasers & Other Machines for Your Office

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Take Home Message

- Don't buy a machine
 - Learn how to be a good injector
- When you buy a machine, you now work for that company

A fool and his money are soon parted

Disclosures

Merz – Trainer, Advisory Board

Suneva Medical - Instructor

Will use brand names due to lack of distinguishing
generic names

I may become a KOL for a device company this week

Presentation Level of Evidence

Levels of Evidence and Qualifying Studies (Therapeutic Studies):

- I High-quality, multi-centered or single-centered, randomized controlled trial with adequate power ($N \geq 100$); or a systematic review of these studies
- II Lesser-quality, randomized controlled trial; prospective cohort study; or systematic review of these studies
- III Retrospective comparative study; case-control study; or a systematic review of these studies
- IV Case series
- V Expert opinion; case report or clinical example; or evidence based on physiology, bench research or "first principles"

My Background

- Academics
 - Loved it but can't buy machines
- Hospital Employed Medical Group
 - Even worse than academics
- Private Practice
 - No limits
 - I can waste all the money I want

What do I Offer Across 5 Locations

Machines we Have

- CoolSculpting x4
- Icon Laser x2
- BodyJet Water Lipo x2
- Smart Lipo Triplex x2
- Vectus Laser x2
- Ulthera x2
- Cutera XEO Laser
- Microneedling x5
- Cynosure MPX IPL
- Venus Versa IPL & RF
- Hydrafacial
- Fillers & Neuromodulators
- KG^{MD} Skin Care Line

Conditions Treated

- Noninvasive fat reduction
- Noninvasive skin tightening
- Red & vascular lesions
- Brown & pigmented lesions
- Laser hair removal
- Skin rejuvenation
- Minimally invasive fat reduction
- Cellulite
- Skin care & maintenance

Considerations

Your device needs depend on

- What you offer vs what you want to offer/expand
- Practice model
 - Academics
 - Employed
 - Small group
 - Solo
- Geographic location
- Patient demographics
- Patient demand – Real vs Generated
- Budget with limited resources

What I Would Buy to Start

- Autoclave
- Instruments
- Aspirator
- Roller pump
- Liposuction equipment



**Less than \$10K investment
(Buy it Used)**



What I Would Buy for My Aesthetician

- Microneedling (<\$4000)
- Skin care product lines
- Chemical peels



Less than \$10K investment

How Will You Get Suckered Into This?

- FOMO - “Everyone is doing it”
- Industry “Cosmetic Summit” at luxury hotel
- Unrealistic proforma by sales team
- Patients are “asking for it”
- Dr Oz gave it thumbs up
- The KOL pitch/deal

This is all coordinated by industry

So What Do I Buy?

- Multi use laser platform
 - Pigmented lesions
 - Vascular lesions
 - Hair removal
 - Skin rejuvenation (IPL)
- Body contouring device
 - RF fat reduction & skin tightening
- Minimal consumable costs
- Delegated use to PA, NP, nurse, aesthetician

What NOT to Buy

One Hit Wonders

- MiraDry
 - Unless you love hyperhidrosis
- Laser Hair Removal only
 - Everyone else does it
- Cellulite only treatments
 - Most don't work
- Vaginal Rejuvenation
 - Unless you know pelvic anatomy, pathology, etc

Revenue per Hour


- **You** can make high profit per hour injecting
 - Neuromodulators take 10 min
 - Patients keep coming back
 - May convert to surgery
- **You** make more per hour in surgery
 - But has more non-compensated time
 - Patients don't come back for years
- **You** may NOT make money using machines
 - Your **staff** can make you money using machines
 - May convert to surgery

What is the best way to get a laser rep to stay out of your office?



Buy their laser!






**I'm going to
make big
\$\$\$ off this
laser!**

**You'll make
big \$\$\$ off
this laser!**

**I'll make big
\$\$\$ off this
laser!**

You

Laser Rep

A photograph of a middle-aged male doctor in a white lab coat with a stethoscope, and a blonde woman in a black business suit. Both have their arms crossed and are smiling. Three thought bubbles are present: a blue one for the doctor, a red one for the woman, and another blue one to her right. The word 'Maybe' is written in large red letters on the left, and 'TRUE' is written in large green letters on the right.

I'm going to
make big
\$\$\$ off this
laser!

You'll make
big \$\$\$ off
this laser!

I'll make big
\$\$\$ off this
laser!

Maybe

TRUE

You

Laser Rep



**My Doc is
making big
\$\$\$ on this!**

Your Staff



**My Doc is
making big
\$\$\$ on this!**

**Too bad it
doesn't
work...But I
have to make
the sale.**

Your Staff

Questions to Ask Yourself

- How does this fit into my strategic plan?
 - Do I have a plan?
- Adding a new service or just refining a current one?
- Can I do this a different way
 - Chemical peel vs laser
- Am I offering noninvasive & minimal downtime options?
 - Not all devices have minimal downtime
- Can I get out of this if I don't like it?
 - Easy for skin care products & injectables
 - Hard for devices

Who is Driving the Demand?

Is this a response to my patient needs or to marketing hype?

***Does your plastic surgeon
do the LaserLift Breast
Augmentation©
I just saw on Dr Oz?***



What is Good to Have?

- Something that few others have
 - Laser hair removal is a commodity
- Facial skin rejuvenation
 - Multiuse platform
- Fat reduction
- Skin tightening
- Staff delegated & operated
 - Expand revenue sources

Local Market Issues

- Underserved or saturated?



- Ride someone else's marketing wave?



- Losing patients to other providers?

Source of Additional Procedures

- Patients willing to come in for a nonsurgical “Laser Eyelid Lift” consultation
- May be more open to a surgical procedure



Procedure Spillover

- Non-invasive to invasive
- CoolSculpting
 - Liposuction
 - Tummy tuck
- Invasive to non-invasive adjuncts
 - Laser resurfacing after blepharoplasty
- Injectables & energy-based devices
 - Total nonsurgical facial rejuvenation

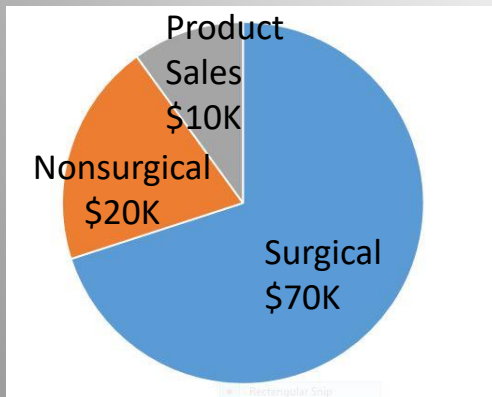
Grow the Pie or Re-Slice the Pie?

- Grow your practice or just change it
- Patients may have a fixed budget for services
- Need to bring in NEW patients

Grow the Pie or Re-Slice the Pie?

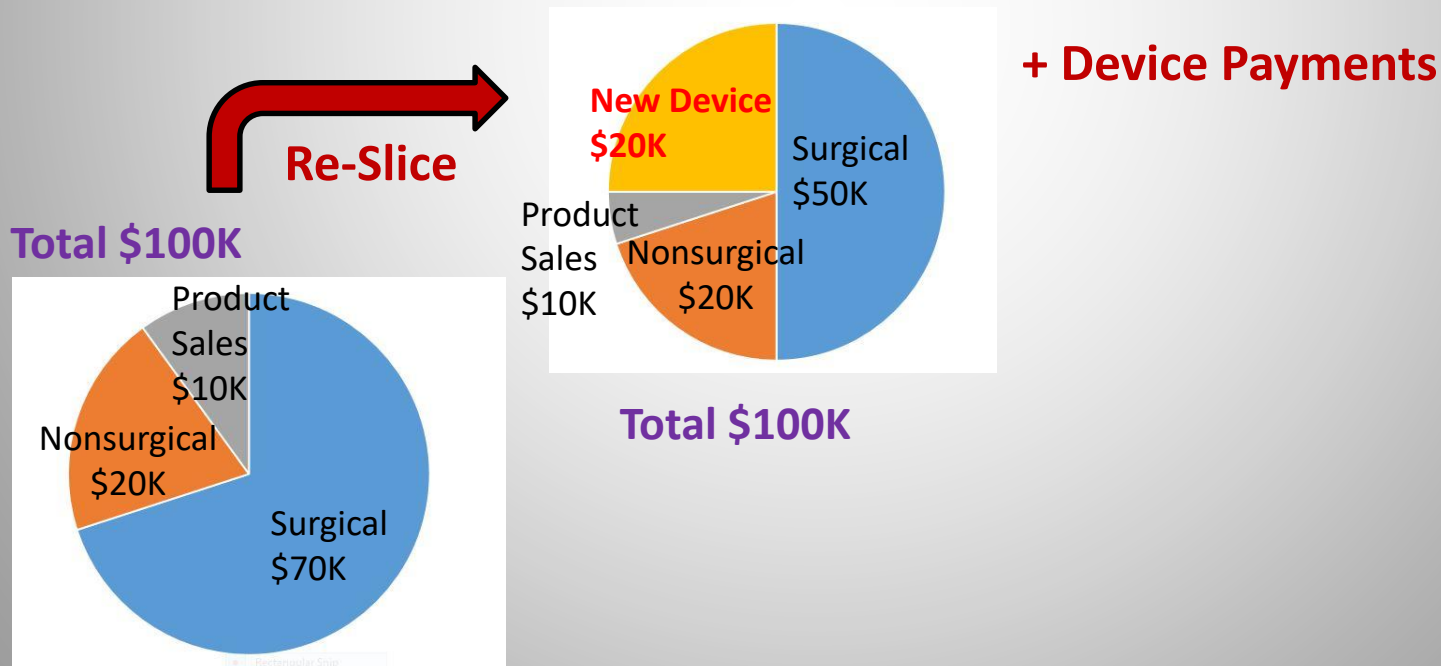
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- Patients may have a fixed budget for services
- Need to bring in NEW patients

Total \$100K



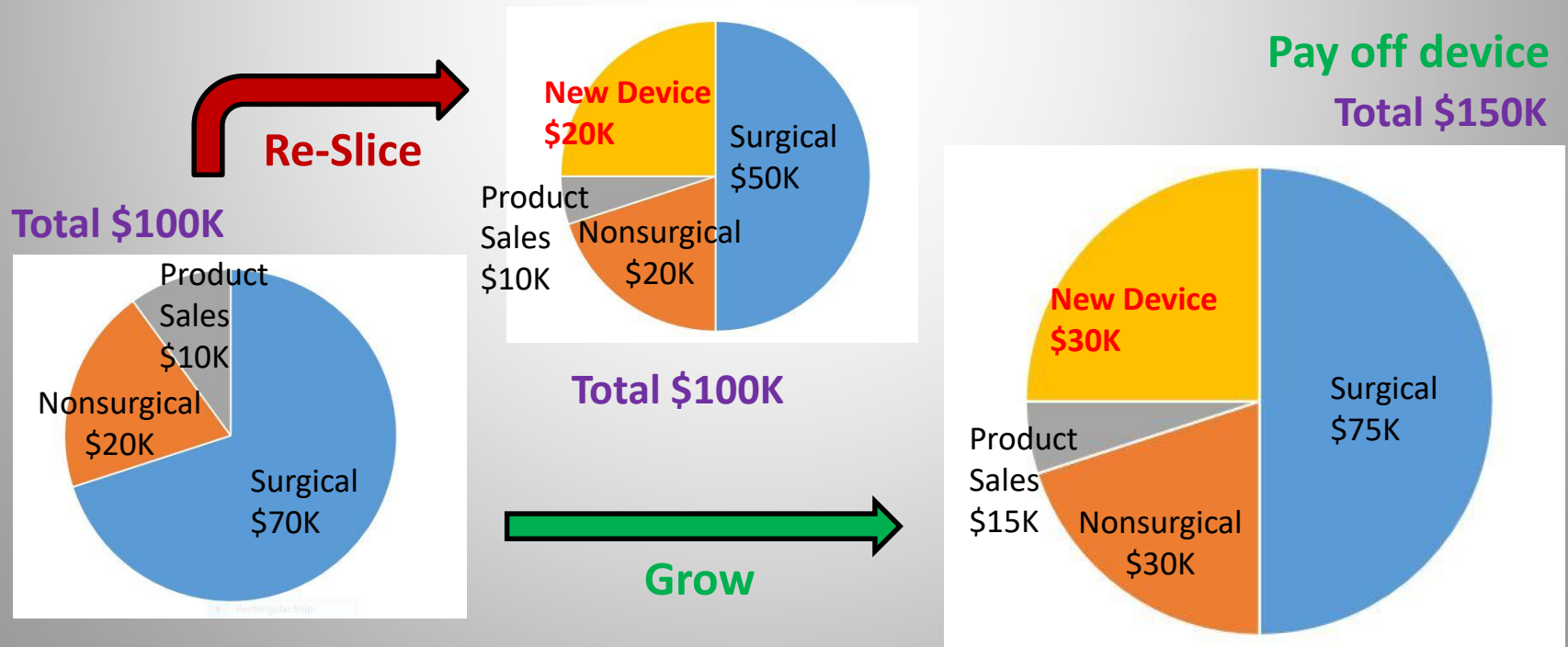
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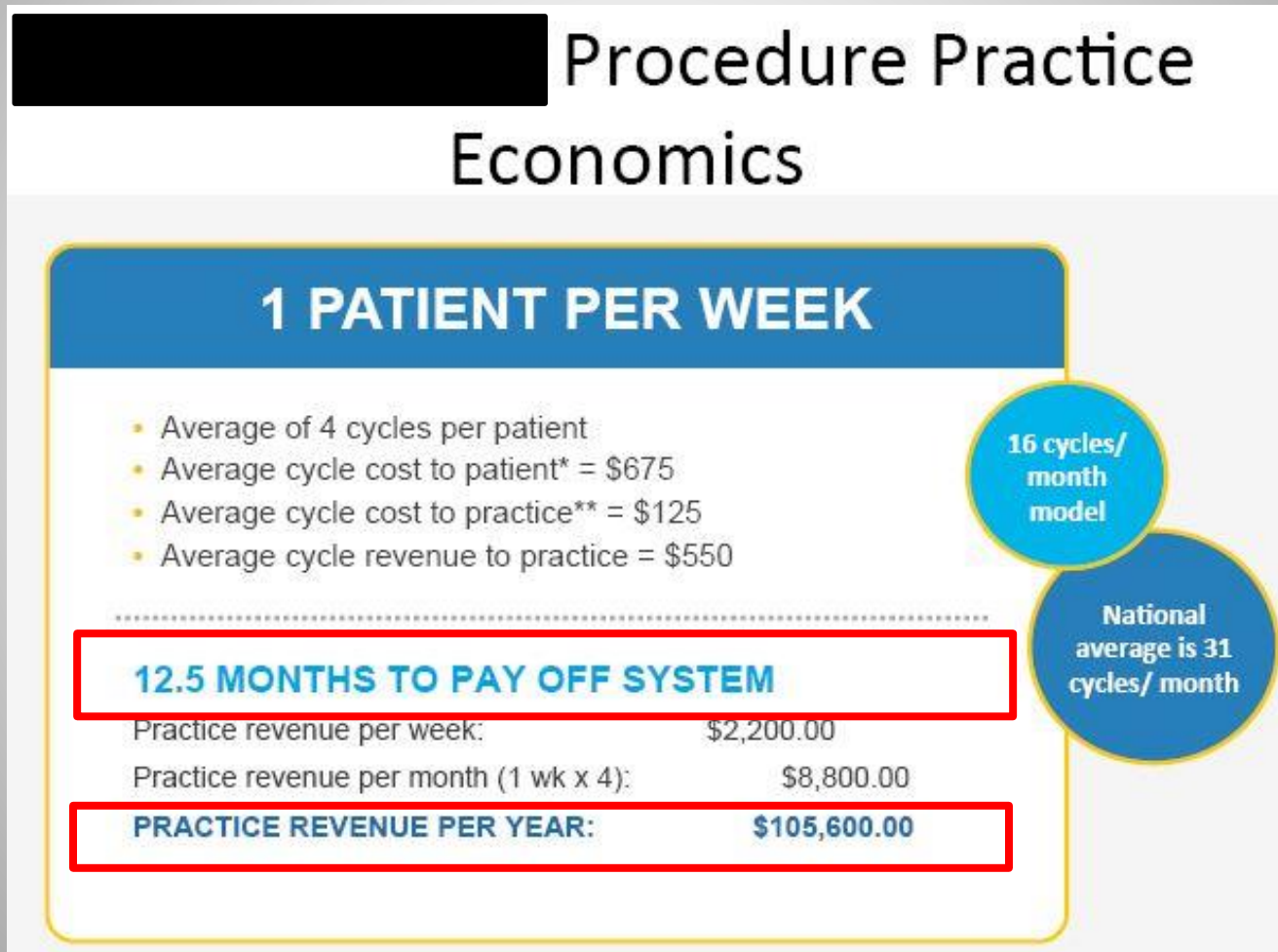


Grow the Pie or Re-Slice the Pie?

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Projected Revenue ≠ Profit



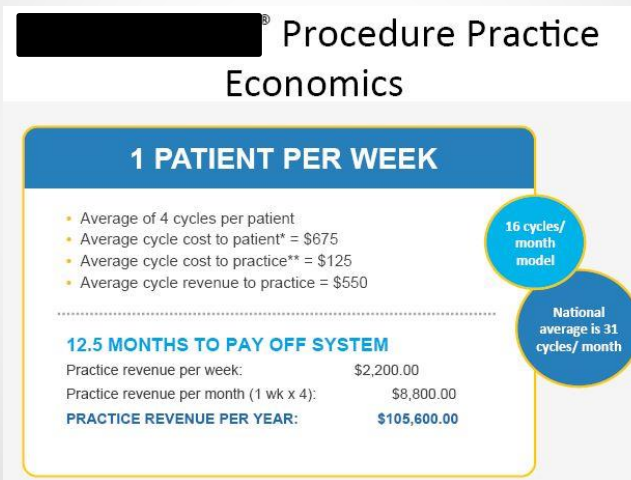
You just worked 12.5 months to make the device manufacturer money

Additional Costs

Marketing Costs

Lost Procedure Costs

Staff Costs



Revision Costs

Space & Overhead Costs

Increased Revenue \neq ROI

- Consider for your **Return on Investment**
 - Initial capital outlay
 - Disposable costs
 - Service contract
 - Staff costs
 - Overhead
 - How many \$\$\$ per hour will this room make?
 - Marketing

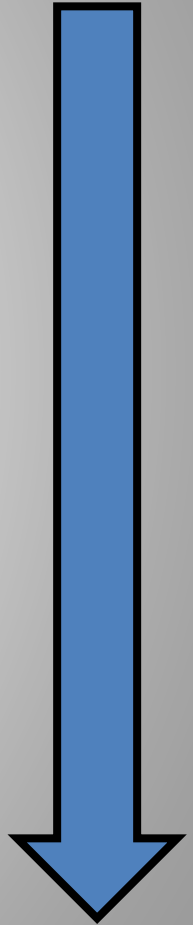
Marketing Costs

- Does device come with marketing material
 - Is it any good?
- Word of mouth is best
 - Initial reduced cost treatments
 - Select “promoter” patients
- Budget for marketing
 - Local media
 - Website changes
- GroupOn can lose YOU money



Internet Marketing + Conversion is Key

- Budget for your new device
- Key word searches
 - Expect \$100 to \$200 per lead
- Convert the qualified lead to a consultation...
- ...then to a procedure
 - Need staff training
 - Good conversion rate is >70%
- Keep them coming back for more
- “Device Ambassador” to bring new patients



Deferred ROI

- Don't expect a positive ROI in the 1st year
 - Or 2nd year...
- Track your costs & revenues
 - Assess regularly
- Don't create a monster you don't want to feed



Regulatory & Liability Issues

- Device operated by technician
 - Do you need to be on site?
- Notify medical liability carrier
 - May increase premiums
- Additional staff training
 - Laser safety officer
- Organizational challenges



Rent Per Use (Per Day)

- No worries about:
 - Capital investment
 - Long-term contracts
 - Maintenance
 - Obsolescence
 - Storage space
- Dedicated technician
- Many devices
- “Try before you buy”
- Scheduling issues
- Less revenue (split with owner)



Examples



Buy Pre-Owned on Secondary Market

- Tend to be older devices
- May not matter
 - Fractional CO2 laser
- After sale service
 - Not likely from manufacturer
 - May come from secondary seller
 - Independent service companies
 - May come with warranty
- May take a “trade-in”



Examples



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Cosmetic – Please pick a category below

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[Mesotherapy Injector / Gun \(2\)](#)

[Chiller \(40\)](#)

[Laser - Diode \(175\)](#)

[Laser - Plasma \(6\)](#)

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[Laser - Goggles \(14\)](#)

[Laser - Radio Frequency \(RF\) \(138\)](#)

[System \(1\)](#)

[Implants and Prosthesis \(488\)](#)

[Laser - Holmium \(24\)](#)

[Laser - Ruby \(2\)](#)

[Permanent Cosmetics \(1\)](#)

[Laser - Alexandrite \(85\)](#)

[Laser - IPL \(263\)](#)

[Laser - YAG \(278\)](#)

[Phototherapy Lamp \(16\)](#)

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[Laser - IPL Handpiece \(91\)](#)

[Liposuction Unit \(121\)](#)

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Lease to Own

- Usually a purchase with initial payment + monthly payments for 2-3 years
- Financing may be through 3rd party
- Allows for small capital investment
- Hope monthly profit exceeds payments
- Don't expect to return it



Buy Demo Model

- Tend to be current
- May be “worn”
- Usually “certified”
 - Warranty
- Still have manufacturer relationship
- Not many available
- Establish relationship with rep

Buy New

- Large capital investment
- Get it when you want it
- Less risk of device problems

Letter to the Editor

Counterfeit Medical Devices: The Money You Save Up Front Will Cost You Big in the End

W. Grant Stevens, MD, FACS; Michelle A. Spring, MD, FACS;
and Luis H. Macias, MD

What is the Goal?

- Is there an option with less capital outlay & same result
- Submental contouring
 - **Traditional Liposuction** \$
 - Laser-assisted SmartLipo \$\$\$\$\$\$ +\$
 - **Kybella** \$\$
 - CoolSculpting \$\$\$\$ +\$
 - Ultherapy \$\$\$\$ +\$

Multiple Treatment Areas?

- Can you use this in multiple areas?
- Submental contouring
 - **Traditional Liposuction** +++++
 - **Laser-assisted SmartLipo** +++++
 - Kybella +
 - CoolSculpting ++

Other Considerations

- Tax implications
- Depreciation
- Realistic use
- Base price of device
 - High cost but low consumable & service costs
 - Low cost but high consumable & service cost

What to Negotiate

- Extended service contract
- More disposables
- Return after 3 months if not satisfied
- Marketing budget
- Financing terms
- Additional staff training

Device Legal Limitations

- Price limitations
 - Not allowed to advertise services below a certain price per treatment
- Location limitations
 - Not allowed to move device to other locations
 - May void warrantee if moved

Practical Issues

- Ventilation
- Power sources
- Storage space
- Scheduling
- Staff training

New Business Model: You Pay the Device Company!

- CoolSculpting
 - Pay per application area
- Ultherapy
 - Pay \$1 per line
 - Full face: 800 - 1000 lines
 - Necks: 300 - 400 lines
- Makes “touch-ups” expensive



Results not Great – Back Up Plan?

- Surgeons can “backstop” the device
- If results suboptimal, can still offer
 - Liposuction
 - Skin excision
 - Other modalities
- Reduced price



Talk Before You Buy....

- Talk to your staff
- Ask your patients
 - “We may be offering RadioFrequency Rhinoplasty ©, what do you think?”
- Discuss with your accountant
- Ask rep for 3 users to talk to...
- ...then also find others (Google)
- Talk to **Hot Topics** instructors

realself

Zerona

Average cost: \$1,650

141 reviews



35% WORTH IT

CO2 Laser

Average cost: \$2,650

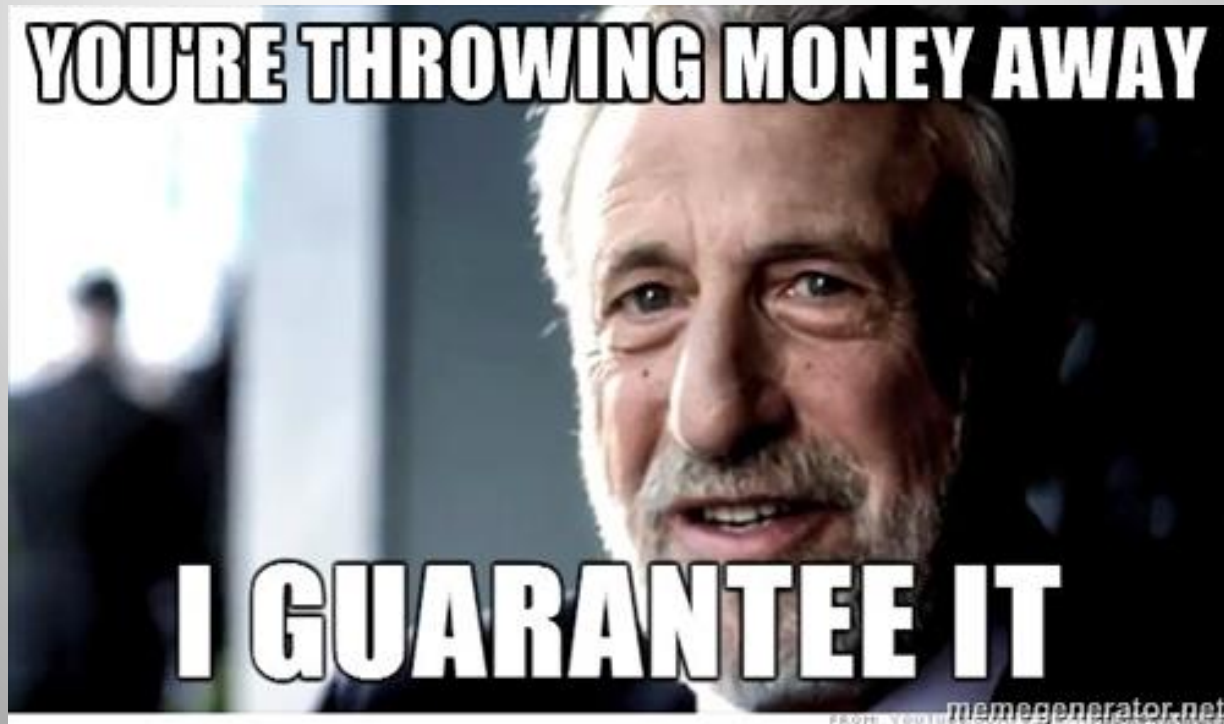
292 reviews



77% WORTH IT

Think & Have a Plan

- Laser & energy devices can grow a practice if done in a logical way with a business plan
- Otherwise,



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