

# Q2-2021 Dental Services Update



## Market Update

The dental services market proceeded to see a rebound in deal activity in Q2 2021. There was significant interest in sizeable acquisition opportunities, indicated by the acquisition of three previously PE-backed groups: Affordable Care, Dental Services Group, and American Dental Partners. While private equity investors continued to consolidate the general dentistry space, specialty dental services such as oral surgery & endodontics that saw less turmoil during the pandemic saw heightened deal activity. Of particular note is US Oral Surgery Management's reported deal process. The organization was one of the first oral surgery groups to partner with private equity in 2018 and has grown from a single state to 10+ today primarily through acquisition.

Lastly, technology has become increasingly prevalent in dental services M&A activity. Following COVID-19, businesses are more willing to leverage tools such as AI and telehealth to streamline services for both patients and providers. This enthusiasm is evident following Henry Schein's acquisition of a majority interest in Jarvis Analytics, and expansion of teledentistry platform Dentulu via acquisition of Robohealer, an AI-powered oral healthcare assessment application.

With DSO volumes rebounding and uncertainty around capital gains rates, we expect accelerated dealmaking through the rest of 2021.

# Dykema

Dykema Definitive  
Conference for DSOs  
July 28-30<sup>th</sup>  
Aurora, CO

Director AJ Shekar and Senior Associate Chris Schlesinger from the Provident Healthcare Partners team will be attending the Dykema Definitive Conference for DSOs from July 28-30 in Aurora, Colorado.

Please feel free to contact AJ or Chris to get together at the conference – they would enjoy the chance to meet and discuss DSO M&A activity.

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## Select Transactions

Month	Target	Investor(s)	Locations	Geography
June	American Dental Partners	Heartland Dental Care	278	21 states, HQ in MA
June	Affordable Care	Harvest Partners	350+	41 states, HQ in NC
June	Metropolitan Craniofacial Center	Riverside Oral Surgery	3	NJ
May	Jarvis Analytics	Henry Schein One	N/A	TX
May	Ladd Dental Group	Lead Capital Partners	6	IN
April	Dental Services Group	National Dentex	30+	16 states & 1 province, HQ in FL
April	Kirkpatrick Dental Care	Healy Capital Partners & Hunter Street	8	TN, GA
April	Tend	Series C Funding: Addition, GV, Redpoint Ventures, Juxtapose, Zigg Capital	6	NY
April	Robohealer	Dentulu	N/A	HQ in CA

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