

Allied OMS' Doctor Equity™ platform featured in Mergermarket



Allied OMS, an oral and maxillofacial surgery management services organization (MSO), is actively expanding its footprint via acquisitions, said Daniel Hosler, CEO and co-founder.

April 11, 2023 – The Southlake, Texas-based company which has annual recurring revenue of more than USD 100m, is building out its footprint in areas with a strong population base starting with Washington, Oregon, California, Arizona, Texas, gulf states, Florida and up to the Northeast, forming a “smile” across the country, Hosler explained. There is a supply and demand imbalance in these markets, and Allied OMS sees an opportunity to roll up the oral and maxillofacial surgery private practice management space.

Allied OMS is close to closing on a couple of deals and is in active conversations with more than 20 additional targets, Hosler noted.

Allied OMS looks for doctors with best-in-class practices and those who have a growth mindset, while also focused on patient care and outcomes, he said.



Dan Hosler
CEO, and co-Founder
of Allied OMS

In 2020, Allied OMS was formed by Fort Worth Oral Surgery, Evergreen Oral Surgery and DuneGlass Capital to create a MSO for oral surgeons to allow doctors to focus on patient care while reducing the burdens and complexities of running the day-to-day business.

Allied OMS operates

50+ locations

ACROSS

12 states

WITH

65 surgeons

and anticipates reaching 80 locations in 15 states by year-end, Hosler said.

Hosler declined to disclose its EBITDA; however, practices typically have EBITDA margins of 15%-17%, said Hosler. Allied OMS typically increases margins by 10% through efficiencies and optimization such as human resources and IT capabilities, he said.

Allied OMS acquires a 60%-80% stake in practices, and Allied OMS allows doctors to invest in the parent company as its model is doctor-owned and doctor-led, Hosler said.

Allied OMS is receptive to investment banker approaches with sell-side opportunities, he said. The company primarily sources new deals via its doctor-owner network who refer practices looking to exit to a larger organization, he added.

The company receives unsolicited private equity approaches, Hosler said. Allied OMS plans to run the business as if it plans to own it forever, but at some point, it will likely explore liquidity options, he said. Hosler tells private equity firms that Allied OMS is “not quite ready,” declining to elaborate on a timeline or revenue milestone.



Miller Johnson serves as its legal counsel.
Article written by Rebecca Wenzel.



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