Partnership Agreement: Desert Sands Physiotherapy Clinic

# INTRODUCTION

Maple Ridge Naturopathy Clinic has an opportunity to partner with Desert Sands Physiotherapy Clinic, a local practice consisting of three physiotherapists who provide physiotherapy and sports medicine services to clients in the San Diego area. This proposal describes the issues related to the partnership in terms of three factors: Partnership Requirements, Products and Services, and Financial Considerations.

If Maple Ridge Naturopathy Clinic and Desert Sands Physiotherapy Clinic agree to the proposed partnership, the terms of the partnership will become active on June 1, 2017 and extend to December 31, 2019, at which time a renewal of the agreement will be negotiated. Revenue opportunities are shown in the chart

# PARTNERSHIP CONDITIONS

This section provides background information about Desert Sands Physiotherapy Clinic and discusses how the partnership could benefit both Maple Ridge Naturopathy Clinic and Desert Sands Physiotherapy Clinic.

## Background

Desert Sands Physiotherapy Clinic is currently located near San Diego’s lively Pacific Center, where most of its clients are also located. Few other physiotherapists in the area offer sports medicine physiotherapy and personal training. Desert Sands Physiotherapy Clinic maintains agreements with several very high-profile sports medicine specialists which have ensured a continuing supply of clients. Members of several professional sports teams and Olympic teams regularly use the services offered by Desert Sands Physiotherapy Clinic.

## Benefits

Desert Sands Physiotherapy Clinic needs access to the state-of-the-art gym located at the premises operated by Maple Ridge Naturopathy Clinic. If Desert Sands Physiotherapy Clinic has continued access to the gym, it will be able to hire a kinesiology professional and expand its sports medicine services. By providing Desert Sands Physiotherapy Clinic with this accommodation, Maple Ridge Naturopathy Clinic extends its market. Clients who come to Desert Sands Physiotherapy Clinic can also use the naturopathic services offered by Maple Ridge Naturopathy Clinic. Revenues are also expected to rise. See the section on Projected Revenues.

## Partnership Need

At present, Desert Sands Physiotherapy Clinic is not able to offer the services of a kinesiology professional because the clinic does not have access to a gym facility. Two years ago, Desert Sands Physiotherapy Clinic worked briefly with Donna Watson from the San Diego Kinesiology Association to offer kinesiology services and use the Association’s gym facilities. However, the quality of the services did not meet the Desert Sands Physiotherapy Clinic’s exacting standards.

# FINANCIAL CONSIDERATIONS

Desert Sands Physiotherapy Clinic has provided information related to its revenue over the past three years. Based on this information, Maple Ridge Naturopathy Clinic could expect a minimum 20% increase in revenues on the sale of services used by clients of Desert Sands Physiotherapy Clinic. In addition, Maple Ridge Naturopathy Clinic could work with Desert Sands Physiotherapy Clinic to generate revenue from the sale of additional naturopathy and other holistic health services to Desert Sands Physiotherapy Clinic clients. See Figure 1

## Projected Revenues

The chart illustrated below shows the revenues projected for each of the first four months of the proposed partnership with Desert Sands Physiotherapy Clinic.

Figure 1: Projected Revenues

## Financing Required

Desert Sands Physiotherapy Clinic has agreed to cover all costs associated with the lease of the current premises occupied by the Maple Ridge Naturopathy Clinic for the first six months of the partnership agreement.

# PRODUCTS AND SERVICES

This section discusses the proposed partnership in terms of the products and services each party will provide.

## Desert Sands Physiotherapy Clinic Services

The Desert Sands Physiotherapy Clinic currently provides the following services:

* Physiotherapy Services
* Personal Training Program
* Craniosacral Therapy
* Pilates Classes

The attached appendix lists the specific services provided in each of the four principal categories.

## Maple Ridge Naturopathy Clinic Facilities

Desert Sands Physiotherapy Clinic is most interested in sharing the facilities currently occupied by Maple Ridge Naturopathy Clinic. Of most interest to Desert Sands Physiotherapy Clinic is the state-of-the-art gym attached to Maple Ridge Naturopathy Clinic and available to clinic patients for a nominal extra cost.

## Maple Ridge Naturopathy Clinic Products

Clients of the Desert Sands Physiotherapy Clinic will be able to purchase naturopathy products at a 10% discount.

## Package Opportunities

Desert Sands Physiotherapy Clinic and Maple Ridge Naturopathy Clinic will share the same receptionist and office manager, thereby reducing overhead costs for administration.

# CONCLUSION

Maple Ridge Naturopathy Clinic has the opportunity to increase its market share by partnering with Desert Sands Physiotherapy Clinic. Both clinics are seriously committed to providing their clients with complete, personalized health services that conform to the highest standards of usability and effectiveness.

In addition, both Maple Ridge Naturopathy Clinic and Desert Sands Physiotherapy Clinic are enjoying a steady increase in business. The demand for high-quality naturopathy and physiotherapy health services seems unlikely to diminish. The market is growing daily as more and more people recognize the necessity of keeping themselves in tip top physical condition.