

Best Practice

Brought to you in the interest of better practice

Body and soul

Dr Ellis Choy explains how he built a practice that reflects his own creative vision

Animal kingdom

Creating the perfect veterinary referral centre

Ways of the heart

A research grant has enabled a world-first medical breakthrough

10 year rule

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Angela Warren, commercial finance consultant for Investec and yoga devotee, talks about the attraction of some quiet, centred exercise.

Welcome



Welcome to the second edition of *Best Practice*. It makes me incredibly proud to have our clients talk about how they have set up their practices and give their insights into how they have made their practices a success. We have worked with some



of these clients for many years, and watched them go from strength to strength.

In this issue you will also read about our new partnership between the Investec Foundation, the Gonski Foundation and the Royal Flying Doctor Service. We are delighted that this unique partnership, called the TOOTH program, will provide a much needed dental service to disadvantaged remote locations in NSW. In its first year, the TOOTH Program will conduct 128 dental clinics and dental therapy clinics in the western NSW communities of Bourke, Collarenebri, Goodooga and Lightning Ridge. It is an exciting collaboration for us.

At Investec, we understand that financing your profession is unique—after all, we have over 20 years experience in working with healthcare professionals. In order to provide specific advice, we have a number of experts working on particular sectors within healthcare and our products and services are geared to helping you throughout your career. But what really sets us apart is our service. We go out of our way to understand the challenges you face and we work closely with you to solve problems. It's this way of doing business that makes us out of the ordinary.

As we have always committed to your profession, we will continue to lead the development of unique finance and banking products in this space. Look out for these throughout 2012 as we launch some great new products for you.

I hope you enjoy this edition of *Best Practice* and if we can help you in any way please give us a call on 1300 131 141.

Barry Lanesman
Managing Director, Investec Medical and Dental Finance

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Investec in the community



Investec off to a winning start

Investec Loyal wins the 2011 Rolex Sydney Hobart and raises money for a great cause

Investec Loyal won the Rolex Sydney to Hobart yacht race on December 28 2011, beating favoured rival Wild Oats XI by three minutes after 628 nautical miles. The yacht has been a regular contender in the race for the last two years. Each year, various Australian celebrities join the professional crew in the race to Hobart to raise money for The Loyal Foundation.

The main beneficiary charity for 2010 & 2011 was the Humpty Dumpty Foundation buying much needed and vital Children's medical equipment for Australian hospitals.

The Loyal Foundation is a pure charity with 100 cents in every dollar raised, making its way to eligible charities. Along the way they create much needed awareness around the charity of choice and also gain exposure for the yacht.

In the final duel, Investec Loyal overtook Wild Oats XI and held the lead as the two yachts raced up the River Derwent towards Hobart for one of the closest finishes in the race's history.

The line honours victory was confirmed on December 29, after a protest lodged by the Race Committee was dismissed by the International Jury.

Investec commend the crew, and their strength and determination in taking on the world's toughest ocean race. Congratulations Investec Loyal on an out of the ordinary performance.

The Rolex Sydney to Hobart is Australia's biggest sailing race, attracting up to 100 vessels. □



Teeth to the bush

Outlying rural communities in New South Wales will benefit from an innovative oral health care program funded in partnership with the Royal Flying Doctor Service (RFDS), an Australian bank and a family philanthropic foundation.

Launched by NSW Premier, Hon. Barry O'Farrell, the dental service known as "TOOTH - The Outback Oral Health and Treatment - Program" will provide much-needed assistance to disadvantaged remote locations in NSW.

The \$2.5 million funding needed to ensure its viability for the first three years will come from a unique partnership between the Investec Foundation, the philanthropic arm of Investec Bank (Australia) Limited (Investec), the Gonski Foundation and the RFDS.

In its first year, the TOOTH Program will conduct 128 dental clinics and dental therapy clinics in the western NSW communities of Bourke, Collarenebri, Goodooga and Lightning Ridge. Investec Bank Australia Chief Executive, Mr David Clarke, said the TOOTH Program brings to life the philosophy and aims of the Investec Foundation and

illustrates the Bank's commitment to support a wide range of worthy causes in education, entrepreneurship and health.

"Without doubt, there is a dire need for dental services in some of NSW's most remote communities and the Investec Foundation is pleased to play a key role in oral healthcare," he said.

Although the Royal Flying Doctor Service is best known for emergency flights with medical patients, today some 80 per cent of its operations are centred on delivering vital primary healthcare services to remote communities. The TOOTH Program will be the first such service out of RFDS' Dubbo base, which recently underwent a \$1.6m upgrade.

Executive director of the RFDS, South Eastern Section, Mr Clyde Thomson, said his organisation has been operating a very successful dental program from its Broken Hill base since 1999 and is keen to replicate this in Dubbo.

"The advantages of this type of innovative and pragmatic model are that it allows us to address outstanding health issues with



The TOOTH program will be the first primary care service out of the RFDS Dubbo base. Above (left to right) David Gonski, NSW Premier, Hon. Barry O'Farrell, Clyde Thomson and David Clarke

urgency," Thomson said.

The newly-launched TOOTH Program will not only provide oral healthcare but also train rural dentists through collaboration between RFDS and Charles Sturt University. By working under supervision, dental students will be able to gain valuable experience as well as providing clinical assistance to the dentist. □



Boring is the new sexy

For a long time, cash was seen as the boring second cousin of the much sexier investments such as equities and property. Cash was dull. Even though returns were pretty good, given previously high interest rate environments, other investment returns were well in excess of double digits. Why settle for safe, when it seemed there was no end to the bull market. Investment companies, banks and fund managers were flogging all types of non-vanilla products trying to keep up with investor demand. Boring old cash was ignored, especially in self managed super funds.

Most banks offered miserable rates of interest on money "dumped" in a savings account. Some e-savings accounts offered higher interest rates with low fees, as long as you abided by certain rules. But with the lack of transparency and investor interest no one seemed that bothered.

Unfortunately most of the sexier investments used leverage to get ahead quickly. With no end to the good times in sight, using debt to invest more, seemed reasonable. But the seemingly "endless" good times eventually came crashing down under its very heavy debt burden. And as the financial

world crumbled, cash was back in favour with investors fleeing to security and banks needing to quickly shore up their liquidity. Cash though dull, is dependable. The Australian Government Guarantee announced in October 2009 provided an additional level of security. Recently revised to cover \$250,000 per entity, signals the levels of stability and comfort which now exists within the Australian Finance industry.

As European debt woes continue, cash is still very much in favour. Cash Deposits are cheap dates, as they have no account fees associated. Plus they deliver the goods: your capital is preserved and you know what rate of return you will receive. The strength of the Australian dollar can also be used favourably. Investors cashed up looking for opportunities overseas, buying other currencies such as GBP, USD, YEN and Euro, can hold cash in multi-currency deposits. Cash represents opportunities in its own right. Even though boring may be the new sexy, overall diversification is still key to long term investment success, given the uncertainties of the present economic climate and the buying options which cash can give at the right time. □

The Investec credit card is coming

When it comes to credit cards people are definitely spoilt for choice. That's why the Investec Credit Card is different. We have drawn from our extensive experience in the medical sector to create a product especially for doctors.

As a doctor you can use your card to purchase equipment for your practice and roll that over into a fixed term finance contract after the interest free period, enjoy special promotions from a range of medical suppliers and even have your AMA or ADA membership details printed on your card. What's more, any new lease agreement with Investec can now be paid using your Investec Credit Card. This innovative approach can provide additional cash flow, simplified accounting and you can earn Qantas Frequent Flyer points.

There are a range of other exciting benefits and you have the option to choose between an Investec Platinum or a Signature Credit Card depending on your needs. Every \$1 spent on your Investec Signature card, and every \$2 spent on your Investec Platinum card, will earn 1 Qantas Frequent Flyer point. Signature cardholders will also have free membership to Priority Pass which gives you access to airport lounges in 300 cities across 90 countries. All cardholders can reserve tickets to events through Visa Front Line Access or call the concierge service to make a reservation or source that 'hard to find' item. For added peace of mind cardholders have free comprehensive travel insurance and because it's a Visa Card you know it will be accepted globally.

As a business we aim to build lifetime relationships with our clients by providing everything from practice property and equipment finance to car and home loan finance but what sets us apart is our personalised service. Speak to your dedicated financial specialist to find out more. □



The AMA provides doctors with a political voice at both the Federal and State level.

Caring for carers

As doctors campaign to improve the health of the community, the AMA NSW works to achieve their aims while caring for the carers.

It's shaping up to be a busy year for the Australian Medical Association, according to Fiona Davies, CEO of the Australian Medical Association New South Wales Limited (AMA NSW). "The most exciting initiative for the AMA this year is the chance to improve the industrial representation of our doctors in training," she says. "We are just waiting for the legislation to finally make it through the upper house, and we will then be off and running, working with an appropriate union to try to get a better deal for our Doctors in Training (DIT) members during their employment in our public hospitals."

Hospitals, both public and private, remain a focus this year, she explains—many of the Associations members didn't realise their rights and obligations when dealing with private hospitals.

"There will also be a strong focus on public health," she adds. "I have been humbled by the impact of the AMA's campaign to reduce preventable deaths in children. We have been able to promote the long-term hard work of lots of amazing organisations and give that work a public profile and an impetus for change. We have seen the government act to protect children around swimming pools and expect more activity from the government to protect children in high-rise buildings."

The range of issues—from helping doctors help others, to helping them help themselves—indicates the satisfying nature of working for the AMA. Davies has been involved with the AMA NSW for over a decade,

starting out as an industrial relations officer. "I have helped doctors in all sorts of difficulties with their contracts, their hospitals or employers, their practices and their staff," she says. "The best part is taking an anxious doctor who just wants to care for sick people and didn't plan to get involved in a contract dispute or employment issue and letting them know we have a plan and are going to be able to help them resolve the situation and get back to being a doctor."

And as for the public advocacy: "Even after many years of seeing the AMA make a difference, I have still been amazed by how effective these campaigns have been—it has been a privilege to have a part in them."

For GPs, she says, this is a critical time in advocacy. "While none of us know exactly when the next Federal election will be, we do know that GP issues will dominate the health agenda and we want government to address the vital and unrecognised role GPs are taking in dealing with the increasing number of chronically ill patients in our communities," she says. "We want GPs to be paid more for long term, comprehensive quality care."

When it comes to partnerships, the Association is choosy, to say the least. "Our key criteria is to find partners who care about doctors, just as we do," says Davies. "We look for partners who are credible and well regarded as experts in their field. We don't expect our partners to offer the cheapest services because that is often not what our members need, however, we ensure our partners are competitive and good value for money. Our relationship with Investec is particularly valuable—in addition to providing a great service to our members, they have been very generous in supporting the projects we are passionate about. Without Investec, our amazing Doctor in Training Awards and annual ball would not have got off the ground." □

Animal kingdom

Starting out small has helped Sam and Majella Snelling create their dream veterinary practice in inner-city Melbourne

Sometimes it takes a while to build the dream. When Sam and Majella Snelling first met, they were both working a large government veterinary referral centre and “we both knew there was a spot in the market for a private referral centre,” Sam recalls. Not that they had any plans to do so, but it remained a discussion point for years. “It was years before we did anything about it,” Sam adds.

Sam had done his undergraduate degree at the University of Sydney in the first half of the 1990s, before making his way to Melbourne via Mildura. It

had taken time out to have the kids... and we found this premises which was large, 1000 square metres, in inner Melbourne and all we could afford to do was lease it,” says Sam.

“The biggest challenge was getting the planning permit, and that took eight months. Really, we were breaking all the rules but we knew it was right. We had been to other banks—and some others would finance us on the proviso that we put our own money in first—but Trevor Knowles (from Investec) was the only one to recognise the specialist qualification I had, and how that would drive the business.”

For 18 months before that, they had run the business out of their laundry as a mobile referral service.

“We had a second-hand autoclave in the laundry, and we would clean and sterilise the instruments in the evenings and go out and operate during the

“We made a lot of good relationships with our referring vets, so we started small and could influence the tone of the business from the start.” SAM SNELLING

was in Melbourne he met Majella. They both decided they were temperamentally suited to working for themselves, which was another reason for pursuing the dream: “By the time we got organised to open our own referral centre, at least four other ones had opened,” Sam admits.

Majella adds, “The other centres were fairly corporatised affairs, and we were a family business which we hoped the referring vets would appreciate.”

That was in 2006, and while they found the perfect location, there were new hurdles to overcome. “We had both been employees and my wage had been low at different times when I was studying, and Majella

day,” Sam says. “We made a lot of good relationships with our referring vets, so we started small and could influence the tone of the business from the start. It is intrinsically what the entire business is, that relationship with the referring vets. This relationship is a little tricky to manage as it is not just between two parties. We need to balance the needs of our clients and referring vets while striving to get the best patient outcomes we can. Thankfully, we mostly deal with excellent general practitioners that makes our job easy. Our individual referring vet relationships are very valuable. It’s paramount that we look after that.”

Once they had embarked on the planning process



Majella and Sam Snelling have hit the point where they can take a holiday after five years of practice-building.



Trevor Knowles

BEST PRACTICE

According to Investec's Trevor Knowles, there are many lenders who wouldn't consider funding a project like Sam and Majella Snelling's business proposal when they started off in early 2007—let alone today.

"I think the difference with Investec is our understanding of the client," he says.

"If clients provide us the time to understand their circumstances, then we can help them. In understanding the profession and the professional, it's more than just the numbers. Investec has a unique understanding of the risks as we look at the qualifications and the person, rather than the assets under finance like the fit-out.

"What Sam and Majella lacked in business experience, they made up for in research, planning, passion and communication skills. In the end, I knew they were the right people, and they have certainly proved us correct with their success over the past five years." □

for the surgery, their next stroke of luck involved ignoring all sensible advice and appointing a friend as their builder. "Because we were working with him we did things appropriately and practically and very reasonably to fit it out. It cost about \$1 million to fit the clinic out. At the end of our first week of trading, after paying the staff, we had \$23 in the bank."

"We've learnt so much doing this," Majella adds. "Not having any formal business training when we started out, we've learnt a lot about managing people and how to get the best out of them.

"We can see that light at the end of the tunnel. We've got another five-year plan, and after that we should be able to back off a bit for the sake of the family."

MAJELLA SNELLING

We've also learnt how to juggle the business and having small children, and have learnt to include them in it as well. Our children are nine and six, and they come in after school and feel like they're part of it as well. When we started building they'd be there getting involved in the physical building process, and it's helped them understand why we work so hard."

Originally Sam and Majella expected to face the normal stresses of bringing other partners into the business, but they've found that when it comes to business structures, simple is best.

"We agonised over [how to structure the business], because we'd seen other large centres struggling with internal bickering and partners having different needs and personalities," says Sam. "We were lucky in that the premises we found was good and we took the decision to build it big at the start in the hope that people would come and join us. Our initial thought was we would sub-let space to other specialities. As it turned out, I was the sole surgeon there for 18 months. As people came on board, they would say they were happy to remain as employees. At this stage we'll stick with Majella and myself being management and others

being paid employees. That way our vets aren't competing for work, and it's very much a collaborative environment. It's the patients' needs that determine what gets done. That's the positive side of it. The negative side is it can be a challenge to make people charge appropriately, but we still think it's the healthiest business model for us and for the patients."

"It's mainly referral for the day service, which is medicine and surgery. We also have physiotherapy, ophthalmology and behaviour. About two years ago we became a 24-hour emergency and critical care practice, so now we have night emergency vets and nurses to care for our hospitalised patients and see new cases through the night." They've also just signed off on the purchase of a new state-of-the-art 16-slice CT scanner for their diagnostic imaging department.

Although five years feels like a long time for Sam and Majella, it's only the first step in the life of any business. "This is the first year we can have a holiday," Majella says. "We can see that light at the end of the tunnel. We've got another five-year plan, and after that we should be able to back off a bit for the sake of the family. We feel like we've almost reached the end of those hard yards." □

FYI

Investec's page for Medical and Dental professionals: www.investec.com.au/medicalfinance

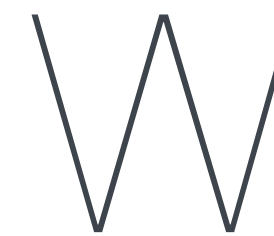
Advanced Vetcare: www.advancedvetcare.com.au

To find out about how Investec can help with your finances, call one of our finance specialists on 1300 131 141 or email ipf@investec.com.au



Added value

Investec Specialist Bank helps deliver a dental advantage



When popular, high profile Queensland dentist Brad Wright recently joined forces with experienced dental industry professionals Geoff Parkes and Bettina Purcell to start a new

business, Investec finance consultant Michael Foley was on hand to assist them with financing the venture.

Identifying a need for dentists to better educate themselves in all of the non-clinical areas of dental practice, the three principals formed a new company called Dental Advantage Consulting Group, and are already working with a number of clients, assisting them across a range of different aspects of dental practice.

As Geoff explains, "We were anxious to avoid preaching a particular method or 'one size fits all' approach, where dentists are taught a cookie cutter method of dental practice. More often than not this requires them to adopt selling methods they may not be completely comfortable with.

"Our approach is thus to determine with the client areas of priority and need, and then implement specific solutions to address these—with a particular emphasis on growing practice revenues in an ethical and sustainable way."

A philosophy which dovetails nicely into the Investec model, where Michael was able to provide a specific solution for Brad, Geoff and Bettina for a related aspect of their business, being the purchase of a dental practice at Tweed Heads in northern NSW.

"We were very keen to own and operate our own practice for three reasons," explains Geoff. "Firstly to serve as a proving ground for some of our consultancy concepts, secondly to provide credibility to our clients by way of demonstrating that the everyday frustrations they experience have been experienced, and are understood, by us as well and, thirdly, to provide an income stream alongside the consultancy business."

Michael was able to provide a tailored solution, which recognised Brad's position as a practitioner stepping back into practice ownership and, according to Geoff, "suited our needs perfectly,



From left: Bettina Purcell, Brad Wright and Geoff Parkes of Dental Advantage Consulting Group

demonstrating the value of having a finance partner who is intimately involved in the dental industry."

The relationship is proving to be a happy one for both sides, with Michael now providing further finance for new equipment for the practice. "The Dental Advantage ethos is very much about long term partnership with our clients", says Geoff, "and it's comforting to know that we can experience and benefit from this same type of relationship and service delivery from Michael and the team at Investec." □

FYI

Investec's page for Medical and Dental professionals: www.investec.com.au/medicalfinance

To find out more about our financial products and services, call 1300 131 141 or email ipf@investec.com.au



The ways of the heart

A research grant enables a world-first medical breakthrough

A

recent study funded by the Cardiothoracic Surgery Research Grants Scheme has proven a technique that can reduce the risk of having a stroke following heart surgery. The Cardiothoracic Surgery Research Grants Scheme, which funds research activity in cardiothoracic surgery, was established in 2009

by Richard Longes, a director of Investec Bank (Australia) Limited, in conjunction with Professor John Brereton at Royal North Shore Hospital, the Cardiothoracic Surgery Research and Education Fund and Sydney Medical School.

Richard decided to establish the Foundation following a lifesaving operation he received from Dr John Brereton and his team at Sydney's Royal North Shore Hospital when he suffered major heart damage as a result of a serious accident which occurred four years ago.

One of the first successful applicants of the grant, Dr Gordon Doig, a surgeon at Royal North Shore Hospital, Intensive Care Unit, has received international accolades for his research which proves that less intrusive techniques during heart surgery significantly reduce the risk of neurologic complications during recovery.

Dr Doig's research concluded that avoidance of aortic manipulation during an off-pump coronary artery bypass, decreases neurologic complications. These are one of the most devastating complications following this type of heart surgery.

The study proves that patients have a reduced risk of having a stroke or ischemic attack following surgery if aortic manipulation is avoided.

Dr Doig and his research team conducted a systematic review and meta-analysis of literature worldwide. His findings prove that using off-pump techniques on a beating heart during coronary artery bypass surgery significantly reduces this risk.

This finding is a world first and has been presented at conferences in Australia and the United States. The primary paper presenting these findings is now under

review by the *Journal of Thoracic Cardiovascular Surgery*.

Investec Specialist Bank is a supporter of the ongoing scheme which now has a number of donors. The foundation expects to make grants for the life of the fund (10 years) up to \$100,000 per annum to support research actively in cardiothoracic surgery and related fields.

The foundation was inspired by the need to uncover more specialised skills and new techniques in cardiothoracic surgery. Without any Government

The study proves that patients have a reduced risk of having a stroke or ischemic attack following surgery if aortic manipulation is avoided.

funding, research and development in this critical area is not prioritised and these skills are increasingly being substituted by technological advancements in robotics and machines. The scheme is available to any student enrolled at the University of Sydney and/or any medical

practitioner, scientist, nurse or other health professional working at Royal North Shore Hospital or North Shore Private Hospital.

Since inception, the scheme has been overwhelmingly beneficial to enhance the academic standing of participants, the dissemination of knowledge and the international reputation of the Cardiothoracic Unit at Royal North Shore Hospital. The scheme will open for new applicants this year and expects to uncover equally significant breakthroughs in years to come. □

FYI

To find out more about the scheme, go online to www.sydney.edu.au/medicine/research/funding/cardiothoracic-research-grant.php

The foundation expects to make grants for the life of the fund (10 years) up to \$100,000 per annum to support research.



Truth is beauty

Dr Ellis Choy has combined the artistry of plastic surgery with a patient-centred philosophy to create a new collegiate type of practice.

There was a hint of what Dr Ellis Choy's practice would end up looking like when he was completing his Master of Surgery thesis back in 2005, following his completion of sub-specialty training by attaining fellowships in both breast surgery (at the Sydney Breast Cancer Institute) and surgical oncology (at the Sydney Melanoma Unit, now Melanoma Institute Australia). His thesis involved something quite radical—inviting patients to the clinical meetings about their cases.

"The standard approach in a hospital setting for breast cancer management is to conduct regular multidisciplinary meetings where specialists from different background meet and discuss patients around a table," he explains. "A lot of time they can be very clinician-oriented, and could sometimes be very dry and detached. I did a study where I invited the patient to be physically present at the meeting in order to evaluate the impact of involving breast cancer patients in the multidisciplinary discussion of their disease and treatment plans. By having the actual patient involved, we analysed the impact from both patient and clinician perspectives in delivering a more patient-oriented treatment plan."

Fast forward six years and Dr Ellis Choy is now leading an interdisciplinary specialist practice set up to provide a platform for a comprehensive breast surgery service undertaking the full spectrum of oncological, reconstructive and cosmetic breast surgical work. "The Swan Breast Sanctuary by Zilver Lining is a different practice in that it provides an end-to-end integrated solution to promote a more healthy collaborative collegiate environment in delivering a complete package for breast patients," he adds.

He is able to offer that because of his dual qualification in both breast and plastic surgery. Further to his first fellowship with the Royal Australasian College of Surgeons (FRACS) with a focus in breast and surgical oncology in 2005, Dr Choy went on to complete his full plastic surgery training in Sydney with a predominant focus in breast reconstructive surgery before obtaining his second FRACS in Plastic Surgery in 2010.



"The Swan Breast Sanctuary by Zilver Lining is a different practice in that it provides an end-to-end integrated solution," says Dr Ellis Choy



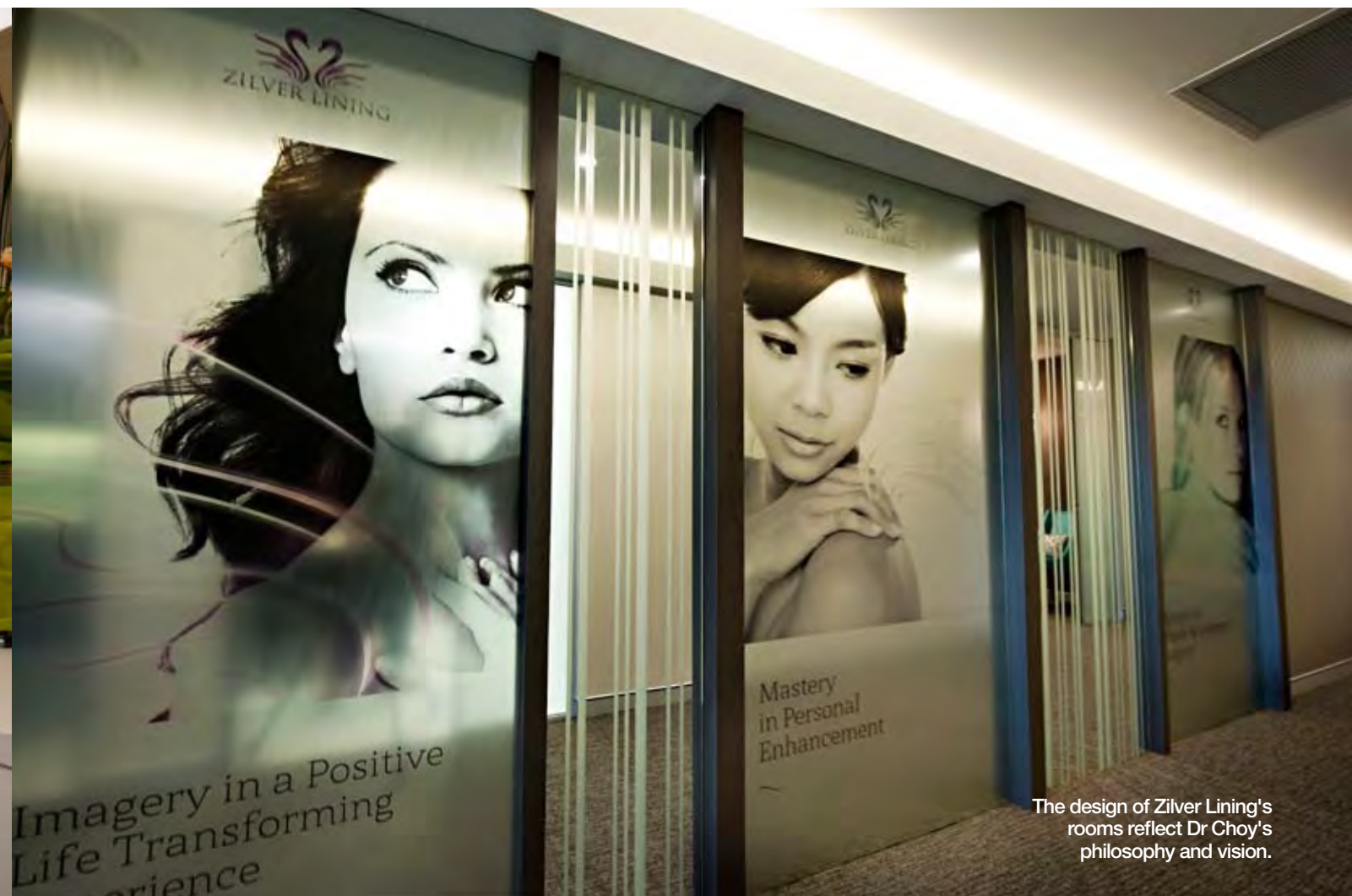
Stafford Hamilton

BEST PRACTICE

On paper, the risk involved in financing a start-up business is significant. However, Investec has a suite of products designed specifically to manage the transition from being a wage-earner to being self-employed. For example, organising finance for Ellis Choy was a matter of meeting directly to “flesh out” his business plan and get an understanding of what he wanted to achieve with his practice, says Investec’s Stafford Hamilton.

“He was transitioning to being self-employed from being a wage-earner, and obviously when you do that your cashflow goes down, because you don’t have the time to be back in the hospital working,” Stafford explains. “Our escrow product gave him the flexibility to build the practice, and cover his costs across two or three months, which bridged the cashflow gap between being employed and being self-employed.”

The Investec escrow product accrues interest over that period where cash flow is difficult, but doesn’t demand repayment during the set-up process, and it’s Investec’s close understanding of the client’s circumstances that makes it both viable and flexible. ●



The design of Zilver Lining's rooms reflect Dr Choy's philosophy and vision.

That same year, he also attained further subspecialty fellowship experience in both reconstructive and cosmetic surgery in the breast and the face. He completed the Plastic Surgery Fellowship at the Queen Elizabeth Hospital in Adelaide with a focus on both reconstructive and cosmetic breast plastic surgery and related body contouring works. This was then followed by his Aesthetic Facial Plastic Surgery Fellowship in Sydney under the Australasian Society of Aesthetic Plastic Surgery, specialising in both surgical and non-surgical cosmetic facial procedures.

Dr Choy is a fully trained and qualified dual diplomat from both Breast & Plastic Surgery. His clinical practice encompasses plastic and cosmetic surgery of the face, breast, body and skin.

“This is not just about what I can do,” he says. “But I believe by having those unique credentials, I am better equipped to take a leadership role in building a platform

to provide a true comprehensive breast surgery service. This contemporary collegiate approach also complements very well the multidisciplinary setting that exists in the majority of hospitals.”

When working with the designers to build his rooms, Dr Choy was keen for his philosophy of patient-centred treatment and his vision of the artistry in his work to be reflected in the physical practice itself.

It starts with the name Zilver Lining: “We wanted to reflect the brighter side of life with a z-plasty,” he says. “Z-plasty is a traditional plastic surgery procedure which aims to optimise both the appearance and the function of a physical scar. It’s a twist by a specialist plastic surgeon. We deal with form and shape defined by lines. And it is our aim to bring forth the brighter side of life in our team and our patients.”

“What we offer is also a quality of life decision,” he explains. “Professionally, I have come to that intersection—going

“I’d like to combine what I do and the influence of my position in a positive way. So this is more than just a specialist practice, because you get to see things with a new outlook from a fresh insight. This is not just about how you look. This is about what you see.” DR ELLIS CHOY

from saving lives to giving better lives, and stepping up to develop a platform where the whole team here can do both in an elegant, creative and special way.”

The connection between what he does and how his rooms were designed lies in his understanding of beauty—a subject he

is frequently asked about. “Beauty is not just being pretty. True beauty comes from the inside out,” he explains. “Function determines form. Life is meant to be beautiful. *Doing* the surgery is a craft. *Being* the surgeon is an art. The art of perfection is like the horizon—it is a vision you can see but a destination you can never reach. Beauty is more than just the aesthetic destination. Beauty is also the artistic journey.”

As Dr Choy sees it, his surgery gives patients the opportunity and ability to see beyond their immediate medical circumstances. “From cancer surgery to altering appearance, this is more than the surgery that I do. This is about what my surgery brings to the lives of my patients,” he says. “I’d like to combine what I do and the influence of my position in a positive way. This is more than just a specialist practice. You get to see things with a new outlook from a fresh insight. This is not just about how you look. This is about what you see.” □

To find out ways Investec can help with your finances and advice, call one of our finance specialists on 1300 131 141, or email ipf@investec.com.au



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Investec’s page for Medical and Dental professionals: www.investec.com.au/medicalfinance

Dr Ellis Choy’s practice:
www.zilverlining.com.au

The ten-year rule

Dentist Dr Patrick Meaney has found a '10-year rule' seems to exist when it comes to new technology

A

bout a decade ago, dentist Dr Patrick Meaney of Moss Vale, NSW, was asked by the Australian Dental Association (ADA) to give an address about what the profession will look like in 10 years' time. Back then a focus of interest was the growing number of women in the profession, and the concern that the full-time workforce was shrinking. He was also discovering a technological leap in the profession: CEREC™, a system for restoring teeth in a single appointment with a specialised dental porcelain using advanced Cad-Cam technology and state-of-the-art ceramic bonding systems. What was difficult to predict was the fierce march of technology into every other aspect of his practice.

"It's always difficult to be sure that what I see is real, and not just a reflection of life in a relatively small town, but I try to keep in touch," he says modestly. Which belies his involvement in the wider profession in New South Wales since the 1980s.

He was elected as a state councillor for the ADA in 1988 and has held many positions within ADA NSW branch: as a vice-president and more recently the honorary treasurer. He was also instrumental in the creation of the ADA's Centre for Professional Dental Development. He is currently the ADA Continuing Professional Development's clinical media advisor, and was recently admitted as a Fellow of the International College of Dentistry.

"There was a point about 10 years ago when I can remember the Dental Association running seminars on digital X-rays and that was very popular," he says. "Most dentists don't need a boost when they're going to look at new things. Those areas where it's easier, cheaper, better to use a computer, it's going to be harder to sustain not using them. But even five years ago I was getting hand-written notes when patients transferred here from Sydney or Canberra. But dentists who haven't computerised their records are going to find it increasingly more difficult to continue."

And now that better quality, and increasingly cheaper, imaging equipment is available, it's becoming more difficult to justify not keeping up.

"It's an interesting landscape in dental imaging across Australia at the moment," says Dr Meaney. "When patients started to sue for third-molar extractions after their lip went numb, there was an emerging view that you should have a CT image done so you could at least warn people. There is an emerging consensus that 3D imaging is more prudent than

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DR PATRICK MEANEY





Andre Karney

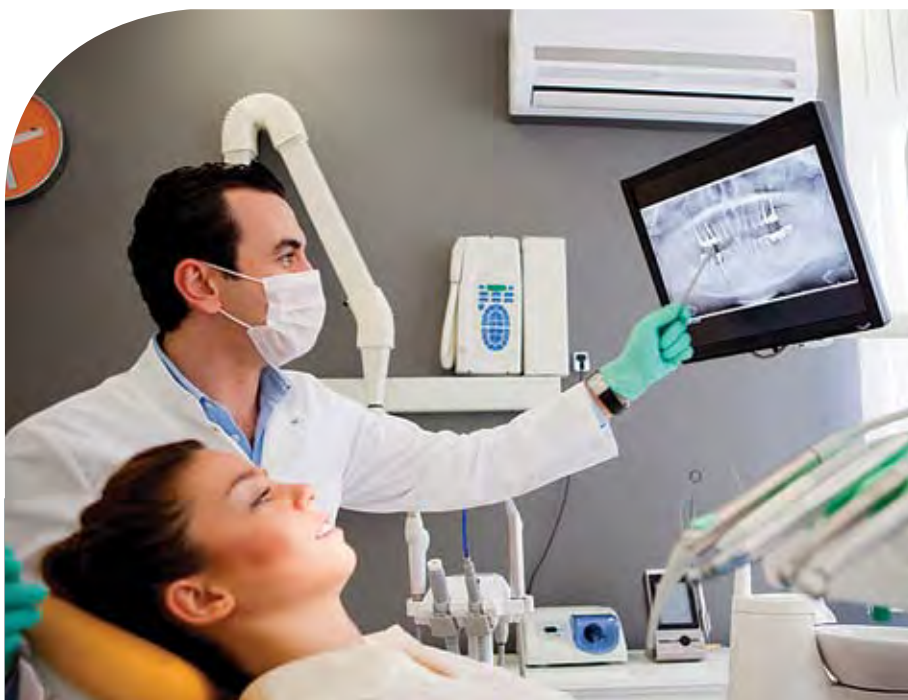
BEST PRACTICE

A lot can change in terms of technology in a decade, and the cost of keeping up to date is significant. According to Investec's Andre Karney, that's why the Investec approach better reflects the financial demands of medical and dental clients like Patrick Meaney.

"We're looking at the individual and structuring something around them that makes sense for their circumstances," he says. "Underlying the whole model is our specialisation in lending only to this market. We've been able to design a product suite and a credit process that recognises their qualification as an asset.

"They are a unique group. That allowed us to treat them very differently to the general banking market. The amount of flexibility we have, and the kind of things we can do, is outstanding."

Although other financial institutions lend to the profession, that doesn't mean they will change systems and products just to suit those individuals. "The important thing with these clients is it's not just about the interest rate you can offer them—it's about how you treat them," Andre says.



The infiltration of technology into all aspects of a practice has accelerated.

not. Some surgeons are so experienced they think they don't need to use any 3D imaging but for the rest of us we're told it's absolutely essential. I've recently bought a small cone beam imaging system, and the 3D image can reveal problems better than anything I've had. And this will become so inexpensive it's hard to justify not doing it for patients."

Dr Meaney believes there are other general benefits to keeping a line of finance open and keeping technology up to date. "One of the reasons you update things is because there are a lot of new features that are a real boon. I've just purchased a new dental unit with finance through Investec," he explains. "The one I've just bought has its own IP address, so if it needs maintenance they can just dial into it, rather than sending someone out. By contrast, I have a \$92,000 microscope, and the zoom motor on it had gone, so I rang the people who sold it to me and told them the zoom motor's gone, but they sent out a technician to look at it. They told me I was right, it was the zoom motor, and charged me \$580 for the service call."

The general notion he's garnered over 25 years, he says, is that you need to refresh everything in your practice every 10 years—which, if you do it all at once, can be a big impost on fees over three to four years. Better to spread finance costs

over the course of several years and do it piecemeal. And the advantage of doing so with Investec, he says, is that, "they knew my business and my profession, and they managed to provide me with finance that was flexible and low-fuss and I didn't have to fill out piles of paperwork. They don't clutter up my life with rules imposed by a large institution." □

To find out ways Investec can help with your finances and advice, call one of our finance specialists on 1300 131 141 or email ipf@investec.com.au



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Investec's page for Medical and Dental professionals: www.investec.com.au/medicalfinance

Patrick Meaney's practice: www.patrickmeaney.com.au

Home bias blocking Australian investors' view of Emerging Markets

Michael Power, strategist at Investec Asset Management, writes on the ongoing movement of investment capital towards the new world. Justin Cowper, head of sales and marketing at Investec Asset Management Australia, discusses the implications for Australians and why we need to rethink misconceptions about emerging markets equities and debt.

According to Michael Power, over the next decade, some 80 per cent of economic growth is predicted to occur in the rest of the world with only 20 per cent in the West. This process of displacement—or more accurately of superseding of the West by the East—will be noisy, it will be messy and it will not happen in a straight line. The key objective for all investors in the coming decade must be to focus on the destination and not be left behind.

"There's a feeling I get when I look to the West, and my spirit is crying for leaving."

The line above, from Led Zeppelin's most memorable song, "Stairway to Heaven", could well be defining the lament currently facing the overwhelming majority of the world's mobilised capital, approximately 85 per cent of which is still in the West with only 15 per cent so far in the Rest.

Given that, over the next decade, some 80 per cent of economic growth will occur in the Rest with only 20 per cent in the West, Western capital's fear must be that if there is an investment party in the next 10 years, it will not take place at home. For their part, Western governments must fear the exact opposite: that much of 'their' capital might choose to dance abroad rather than at home.

Western capital is of course cordially invited to the 'Rise of the Rest' party, although sometimes, taking the form of

capital controls, there are 'bouncers' at the door regulating entry. For example, Brazil's capital carnival became so overcrowded in 2011 that its finance minister, Guido Mantega, was forced to increase the 'ticket price', even going so far as to declare a currency war on gate-crashers. Even so, the 'nightclubs' of China and India have made it easier for foreign capital to attend their coming out parties, no doubt a function of the fact that India needs foreign capital inflows to balance its external account and beginning a whole new chapter in its economic evolution. Indeed, forecasts now suggest China may need to do so as well as early as 2014.

Justin Cowper believes the degree to which Australian capital will attend these

parties depends in part on whether it can overcome its inbuilt 'home bias'.

Australian investors have had a reliable track record over the past 10 years of being handsomely rewarded by being invested in Australian Equities relative to Global Equities on an unhedged basis.

This has created a psyche of investment xenophobia and an overall sense of skepticism around the need to diversify beyond Australia, through the "traditional" Global Equities window and into the Emerging Markets directly. An appreciating Australian dollar and the dividend imputation system has only

The temptations offered by China and India may lure capital from its 'home bias', says Power.



accentuated this bias and led Investors to rely on three common misconceptions:

1. The Australian dollar will continue to strengthen and hurt global returns;
2. I get my resources exposure from Australian Equities; and,
3. I don't need Emerging Markets exposure as Asia is Australia's biggest trading partner.

Superficially, these adages hold water but under further investigation, they appear at best self serving.

In most analyst models, the long term average for the Australian dollar is around 75 cents against the US dollar. Even if you accept that the Australian economy has fundamentally changed and that a more accurate long term average is say 85 cents, it is clear that the Australian dollar is overvalued at the 1.08 level. The balance of probabilities points towards a mean reversion toward that 85 or 75 cent level. Instead of suggesting to the Australian investor that the dollar will continue to strengthen, the Australian dollar at these levels is actually compelling for long term investors to increase their allocation to unhedged global assets.

To the second point, the resource exposure an investor receives by buying the ASX 200 is predominantly coking coal and iron ore due to the high percentage weighting of BHP and Rio Tinto in this index. As a result, an investment in the ASX 200 misses out on a truly diversified exposure into energy, precious metals; base and bulk metals; agricultural and soft commodities.

Although it appears that most of the export exposure for companies in the ASX 200 is with Asia, the USA is still Australia's third biggest trading partner. Japan, which is seen as a developed market in debt and



Michael Power (above), and
Justin Cowper (below).

equity indices is second. In addition, if you look at the representative weightings of the MSCI Emerging Markets index, only 52 per cent is Asian. In fact the biggest index weight is Brazil. An investor ignoring Emerging Markets Equities because they feel that Australian Equities provides adequate exposure is only half right and is missing some significant pieces of the investment puzzle.

Michael Power believes the central tug-of-war will likely be between the more obviously attractive prospects in global finance which will be far away in the New World and the more tentatively attractive which will be closer to home in the Old World. Resolving this trade-off will be one of the defining features of global finance in the coming decade. And its resolution will not merely define winners and losers: it will redefine the very foundation of global risk. By 2022, could the yield on a Chinese renminbi bond exert more influence on determining the global cost of capital than the yield on a US Treasury?

Predicting how much of this overarching theme will play out in each year of the coming decade will be something of a mug's game. And, rest assured, it will not be, as 2011 showed, one-way traffic. The tide of Western capital will both ebb and flow throughout the period, mingling with the growing influence and weight of capital from beyond the West. In particular, surpluses from resource-rich nations –

often managed by their Sovereign Wealth Funds – will become the titans of mobilised capital in the coming decade.

But by 2022, more capital will have flowed out of the West into the Rest than will have ebbed back to the West. The Great Migration of Capital, from the overgrazed and slow-growing grasses of the West to the opportunity-rich and fast growing grasses of the Rest, has begun.

Whilst equities will tend to grab the lion's share of the headlines, perhaps the next decade's biggest geographic shift will come in the fixed income segment.

Local Currency Emerging Markets Debt will likely be the biggest winner in all asset classes in the next 10 years. Other fixed income winners will include emerging markets corporate debt and credit.

From an Australian point of view, Justin Cowper believes fixed income investors will also be forced to revisit their pre-conceived ideas on what an acceptable return is and how much risk can be taken on to produce such a return. Faced with falling rates coupled with an inflation rate that continues to eat away at real returns, Australians will be forced to look abroad for attractive yields. With Western Developed Markets unable to provide these, Emerging Markets will step into the breach. 2012 will be, as has been the case for most of the 21st Century, more of a flow year to the New World than an ebb back from it. Emerging market equities, for instance, are unlikely to underperform their developed world counterparts two years in a row. Emerging Markets Debt will also prove to be an outperformer. Given these two asset classes remain relatively under-owned, (particularly within major Australian institutional portfolios) and given a more positive outlook, we would expect investors to continue their reallocation strategies to emerging markets assets, underpinning performance in the medium term. □

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My husband and I migrated to Australia (from Dublin, Ireland) 23 years ago. I have spent most of my career in banking and finance, finding myself in the medical space of funding in the mid-1990s. I absolutely love what I do. On the personal side, I am a fairly health conscious person: I love my yoga, pilates and visit the gym a few times a week before the workday starts.

I've been doing yoga and pilates for decades. Even before I started working I was interested in health and nutrition. I got introduced to yoga in my late teens—it's all about breathing which is something people don't consciously do, because they take it for granted. Also, it's for any age—my father who is almost 80 practises yoga every morning.

I'm a very earthy and calm person, so yoga and I are good friends! It's very powerful way to destress and it teaches one the ability to be calm, often drawing on the principles of yoga to cope with any difficult situations that may come up in your life. □



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