

CHOOSING THE RIGHT CLINICAL SCRAP REFINER

CREATING INCREASED VALUE AND RETURNS WHILE FOSTERING A PRODUCTIVE, LONG-TERM RELATIONSHIP

WHAT YOU WILL LEARN:

- What are the compelling reasons for refining your dental scrap?
- What should you be looking for in a refining partner?
- Why is it important to establish the credentials of your refiner of choice?

JENSEN offers dentists the best of both worlds: The best possible refining yields and the highest level of services and accountability, thanks to our expertise and our accreditation

INTRODUCTION

Like dental laboratories, dentists have several options when it comes to redeeming their practice's precious metal scrap, yet their scrap patterns tend to be less frequent and less complicated than labs. Excluding dentists with in-house labs, most clinical scrap transactions center around the redemption of what is commonly referred to as old crowns.

However, the perceived lack of complexity associated with clinical scrap and a long standing notion that old crowns can be easily qualified and quantified without professional sampling and assaying, has led to various options, such as on the spot selling of dental scrap to traveling buyers and middlemen for cash. Clearly, having someone come to your office to assess your scrap and turn it promptly into cash may appear to be attractive on several counts. Even having a middleman show up, package up your scrap with a promise to pay in the very near future may have appeal, however, they become an uninsured personal courier, throwing your material in the back seat or trunk of their car. While we can all appreciate this kind of special service and convenience, there is also a steep price to be paid for both.

In the past, when a majority of clinical dental scrap was approximately 16 karat and yellow in color, quantifying and qualifying was much easier. The industry has since seen the rise of PFM restorations and the increasing shift towards lower noble white alloys, such as palladium-silvers, and non-precious alloys which makes the spot (visual) assessment of scrap far more difficult than before. The increasing volatility of the precious metals markets only complicates the task for spot buyers. As a result, most road warriors who buy scrap are underpaying at your expense, and settling for cash or dealing with middlemen could result in some potentially unexpected consequences:

- Dentists are leaving substantial money on the table, as a result of the 40-60% discount they take when it comes to spot scrap sales. For this reason, dentists should exercise due diligence when working with any scrap vendor, and this includes avoiding television and internet scrap buyers.
- Dentists are relinquishing financial responsibility for their scrap to middlemen, who may or may not come to their aid if there is a dispute with respect to their scrap at the refinery or if the material is lost and never makes its way to a refiner.

- Dentists are unintentionally exposing their practices to environmental liability (for possible hazards associated with the middleman's delivery of mercury or beryllium contaminated scrap to the refiner), or to regulatory liability (for unreported cash transactions undertaken with another party, defined as a dealer in precious metals under the provisions of the 2001 U.S. Patriot Act*).

At the end of the day, we believe that the risks are not worth the rewards, particularly when the perceived rewards are suspect. There is a better, more reliable way.

WHAT TO LOOK FOR IN A REFINER

Dentists can best protect their interests and maximize their assets by considering a direct relationship with a professional precious metal refining company. Today, thanks to FedEx and UPS, it is easier than ever. Reputable firms offer low minimum lot charges and offer a high level of service and personal attention including:

- Official confirmation of scrap receipt.
 - Photographic or digital recording of the materials being received and inspected.
 - Expedited shipping arrangements and processing rate information.
 - Free shipping containers and free transit insurance.
- Free advice, including access to the refining manager and other key staff.
 - Complete and detailed information about your settlement process and return.
 - Safe and secure transactions with maximum payout.

HERE ARE SOME IMPORTANT ELEMENTS TO CONSIDER WHEN SELECTING A REFINING PARTNER:

FEES.

Avoid teaser rates and try not to get preoccupied with the subtle differences in yields and rate fee between refiners. Dentists charge differently, so do refiners. What matters most is what you get back, after fees, and the focus should always be on the net bottom line. Trust can only develop with consistent experience over time.

TIMING

If a middleman settles your lot on the spot or in a day or two, chances are that they are not 100% sampling your scrap but estimating the value of your lot (and probably not in your favor). A reasonable time period to obtain a full accounting of your scrap from a refiner is 1-2 weeks from its arrival.

LACK OF PAYMENT OPTIONS

When you settle, your refiner should offer you the option of receiving your payment in check, alloy, credit or coin bullion. Avoid cash. If you think that no records are being kept by the middleman

or refiners providing cash, the Anti-Money Laundering provisions of the U.S. Patriot Act say otherwise.

LACK OF INFORMATION.

Paperwork can vary widely based on how transparent the vendor is. You are entitled to a detailed report depicting your original weight, the after-process or recovered weight, each payable metal, as well as all refining fees and charges.

RECOURSE.

Not all vendors can afford to hold your scrap intact until settlement, particularly smaller refining firms. They may settle lots without your approval for cash flow reasons. You should be informed upfront what options you will have in case you contest the settlement offer. Requesting a re-assay or re-sampling, or most importantly, allowing you to have your material returned intact at no charge are reasonable choices. Your material should not be consumed until you are completely satisfied.

CREDITWORTHINESS

Refining vendors take in dental scrap every day and dentists are taking it on faith that they will get paid. Request bank and trade references, speak with colleagues, and acquire the refiner's literature. Do not be misled into thinking that a firm has sufficient net equity simply because a company offers FedEx or UPS, has an attractive website, or claims to have an affiliation with a dental association.

WHY CHOOSE JENSEN CLINICAL REFINING

For over 30 years, Jensen Refining's unique and trusted expertise in dental alloy manufacturing and refining has maximized clinical scrap returns for thousands of dentists and technicians. We possess the requisite technologies and environmental controls to process your scrap lot in house, as well as full-time metallurgists, chemists and technicians required to do the job correctly. We understand dental scrap materials, because we work with these alloys every day. At Jensen Dental, we operate under accreditation standards mandated by medical device ISO 13485 and the FDA, as well as the FDA's counterpart in Canada, Germany, and Liechtenstein. Other non-alloy producing, refining firms and middlemen do not have to comply with these manufacturing standards, beyond baseline environmental and local regulations.

As an integrated dental alloy and refining company, we are committed to providing you with the best possible refining yields and the highest level of service. We are also flexible regarding how you take your settlement, typically settling accounts with a check or wire transfer, bullion coinage, and/or credit to your account if you are cast gold user or alloy study club member.

THE BOTTOM LINE

In addition to affording dentists the opportunity to maximize their scrap payouts, Jensen's clinical scrap program can provide your practice with more personalized service, reliability, legitimate liquidity, honesty, accuracy and professionalism. The most important factor is finding a refiner you feel comfortable with, who has earned the trust of your colleagues with their accuracy and consistency, and who will guarantee your satisfaction. We earnestly believe that refiner is JENSEN.

*2001 US Patriot Act refer to: <http://www.jvclegal.org/index.php?categoryid=132>, See Section II, A - Definitions.

The spot selling of clinical scrap seriously undermines value and creates potential and unnecessary liability for the dental practice.

What matters most is what you get back, after fees. The focus should always be on the net bottom line, your refiner's openness and its consistent performance over time.

© Copyright 2010, Jensen Dental. All rights reserved.

800.243.2000 www.jensendental.com



73067

